Daily Report

Central Eurasia

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Russia: Kovalev Asks Chernomyrdin To Halt Shelling of Bamut

LD1103211596 Moscow NTV in Russian 1900 GMT 11 Mar 96

[FBIS Translated Text] Sergey Kovalev has said that members of the permanent monitoring mission of public organizations in Chechnya [postoyannaya nablyudatelnaya missiya obshchestvennykh organizatsii v Chechnye] a few days ago met field commander Ruslan Kharkharoyev, whose battalion is defending the village of Bamut.

Kharkharoyev told the human rights' defenders that if the bombing of Bamut continues, he will execute five Russian POWs after every raid. Kharkharoyev is holding in all 90 Russian soldiers prisoner. His order has not been agreed with Dudayev.

[Begin recording] [Kovalev] In reply to the indignation of and the request by the human right's defenders to revoke these instructions, Kharkharoyev said, as he put it, that with Sergey Kovalev's authority, he is ready to postpone the implementation of the execution order for five days, on condition that the whole POW situation is broadcast on television and that his representative, Kovalev — we are consequently his representative — came for talks on the fate of these POWs.

[Unidentified correspondent] Yuliy Rybakov, a State Duma deputy, and Aleksandr Cherkasov, a representative of the Memorial Society, set off for Chechnya tomorrow 12 March. Deputies Valeriy Borshchev, and Viktor Kurochkin will join them later. In particular, they will hand to a letter Kharkharoyev from Kovalev, asking him not to commit inhuman acts.

[Kovalev] In this letter I try to explain to him that such actions only draw out the vicious circle of the Chechen crisis and make it irresolvable.

[Correspondent] In parallel, Kovalev is sending a letter to Chernomyrdin, in which he will ask the prime minister to halt the shelling of Bamut.

Sergey Kovalev rules out that the fighters will agree to talks only to win time, to regroup, or to withdraw to the mountains.

[Kovalev] They feel quite confident in the low mountains over Bamut, but maybe they will be forced to retreat. They will do that quite easily. What is at issue is something else — they do not want to give up their strategically important point and are ready to pay for it with the defenseless lives of others. I repeat: There will be more and more such situations. The longer the conflict lasts, the more such situations there will be. That is a partisan war. A partisan war without any rules. [end recording]

Russia: Duma Deputies Fly to Bamut To Prevent POW Execution

LD1203112696 Moscow ITAR-TASS in English 1104 GMT 12 Mar 96

[By Igor Zhukov]

[FBIS Transcribed Text] MOSCOW, March 12 (Itar-Tass) — A group of deputies to the State Duma flies to Groznyy today by the next flight, and from there — to the highland village of Bamut. The purpose of the trip is to prevent a combat operation against the gunmen staying there, who threaten to shoot dead the Russian soldiers, taken prisoner in Groznyy, head of the delegation Yuliy Rybakov told Tass. He is Deputy Chairman of the Duma Commission for the Release of Forcibly Kept People.

Rybakov plans to come to Bamut "today in the evening or, at the most, tomorrow morning, in order to prevent senseless bloodshed and to save the lives of Russian citizens, who were taken prisoner." The legislators want the military and the rebels to hold talks, and intend to be intermediaries in that dialogue.

The trip of the State Duma members was organised urgently after human rights activist Sergey Kovalev said that in case of an assault on Bamut Dudayev men threatened to shoot dead 90 soldiers of the federal troops, kept there as hostages — five soldiers for each day of the assault.

According to the information of Vakhi Sagayev, Deputy Prime Minister of the Chechen Government, a total number of the hostages, kept in Bamut, is much greater. He said in an interview with Itar-Tass correspondent Boris Kipkeyev that during the four days of fighting in Grozny the gunmen had taken prisoner and moved to the area of Bamut some 300 people.

When asked to comment on that figure, a representative of the federal troops in Groznyy expressed some doubts, Itar-Tass correspondent Aleksandr Kharchenko said. In the opinion of the federal representative, the gunmen could not take away from Groznyy, from the zone of fighting, so many people.

Concerning information of the State Duma members about preparations for an assault of Bamut, both Deputy Prime Minister Vakha Sagayev and Head of the Provisional Department of the Russian Interior Ministry in Chechnya Aleksandr Petrovskiy, who were interviewed by Itar-Tass, know nothing about it. According to Petrovskiy, there is not a single Russian Interior Ministry officer near Bamut.

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Russia: Brigade Reportedly Sells Tank, Infantry Vehicle to Chechens

LD1103173596 Moscow Radiostantsiya Ekho Moskvy in Russian 1600 GMT 11 Mar 96

[FBIS Translated Text] A military counterintelligence representative said today that servicemen of 106th motorized infantry brigade had sold a tank and an infantry fighting vehicle to the Chechen militants for $26,000 [figure as heard]. According to the source, the deal was struck after the servicemen and the militants had a drinking party at a roadblock in the area of Shali. The Defense Ministry has refrained from any comments on the incident.

Russia: Groznyy: Troops Continue To Clear Out Explosives

LD1103190896 Moscow Russian Television Network in Russian 1700 GMT 11 Mar 96

[From the "Vesti" newscast]

[FBIS Translated Text] On the fourth day of fighting in the Chechen capital of Groznyy passions have started to die down. Rebels are gradually leaving the town, although in some isolated areas shooting still continues. The troops have their campus right on the town's border. They carry out their local operations here.

[Begin recording] [Unidentified soldier] We feel normal. We have been provided with packed food for two days ahead.

[H. Petrov, captioned as company commander] The main task of our subunit is to rout all of the rebels out of the town for good. There is no organized resistance at present. Groups of two rebels, mainly snipers, are moving around. In the afternoon they hide while they open fire on our subunits during the night from the buildings.

[Vyacheslav Tikhomirov, commander of the federal troops in Chechnya] We have no plans to introduce any new forces into the town. I have already told you we are now carrying out measures to clear the town of explosive materials in possible mined areas. As soon as this work is completed, in two days, the troops will be moved to the points of their temporary stationing. [end recording]

Now this is a different region — southwest of Chechnya. The situation is different here, too. Here the military are holding intensive talks with the Shali and Kurchaloy Administrations about creating peace zones. However, the army has not yet entered these population centers. The same process is under way in the north of the republic, in Shelkovskoy district. Generally, according to official reports, in the past 24 hours the positions of the federal troops in Chechnya have come under fire 21 times. Nine have been wounded and two killed.

Russia: Groznyy: Operations Resume Against 'Bandit Gangs'

LD1203083696 Moscow Radio Rossii Network in Russian 0800 GMT 12 Mar 96

[FBIS Translated Text] In the past 24 hours sub-units of the Russian Ministry of Internal Affairs have come under fire in Groznyy 11 times. Together with the Chechen militia they are mounting an operation to render harmless the fighters remaining in the city.

This was reported today at the press service of the temporary administration of the Russian Ministry of Internal Affairs.

Snipers among the fighters are most active in the north of the city, in Staropromyslovskiy district, near Minutka square, on Lenin Street and also in a number of areas of the central Leninskiy district.

This morning the operation to clear bandit gangs from Groznyy was resumed, along with the mission to seek and destroy arms and ammunition caches.

This was announced by head of the temporary administration of the Russian Ministry of Internal Affairs in Chechnya Aleksandr Petrovskiy. He said that in the past night there had been no losses among members of his administration. But on Monday six servicemen had been killed when their APC was blown up by a mine in Groznyy.

Overall, as at this morning, the socio-political situation in the Chechen Republic and Groznyy has stabilized, the head of the temporary administration of the Russian Ministry of Internal Affairs in Chechnya stressed.

Russia: TV Reports on 'Cleansing' Operations in Groznyy

LD1103214796 Moscow NTV in Russian 1900 GMT 11 Mar 96

[Video report from Chechnya by correspondent Sergey Gaponov, including recording of interview remarks by Vyacheslav Tikhomirov, commander of joint temporary forces in Chechnya]

[FBIS Translated Excerpt] Cleansing operations continued in Groznyy in the morning. This is what the military call measures to flush out and destroy the remaining Dudayev men in the town. [passage omitted]

It is expected that over the next two days the majority of fighters still in the town will either leave Groznyy

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during the hours of darkness or will be destroyed by federal forces.

[Tikhomirov] No additional forces will be brought into Groznyy. I have already said that we are now carrying out measures to clear the town of explosive objects, of sectors which may be mined. As soon as we finish this work within 48 hours, all the troops will be returned to points of temporary deployment and the tasks which they were charged with will be fulfilled.

[Gaponov] During the operation to clear the town the interior troops and the militia will probably suffer new losses. In Groznyy today, for instance, two servicemen were killed and eight were wounded. [passage omitted]

Observers note that in actual fact the subunits of federal forces have been in a very weak state for a long time and the reason for this is their inactivity.

Obviously the majority of soldiers and officers are fed up with the war. [passage omitted] [video shows interview with Tikhomirov, APCs on move, soldiers, street scenes]

Russia: Groznyy: Chechen Militants Propose Swap of Prisoners

LD1103152196 Moscow INTERFAX in English 1413 GMT 11 Mar 96

[FBIS Transcribed Text] GROZNYY, March 11 (Interfax) — Militants loyal to Chechen rebel leader Dzhokhar Dudayev propose to swap 31 Russian military servicemen for their fighters captured by federal troops during the battle for the capital of Groznyy, a spokesman for the Russian Interior Ministry's Interim Department in Chechnya told Interfax on Monday.

The department's Criminal Police Service received a list with 31 names of servicemen whom the militants hold as hostages. "The militants propose a one-for-one swap," said the spokesman.

Eleven officials of the Russian Interior Ministry's Interim Department were reported missing following the fighting in Groznyy. "We found the names of eight of them in this list. The Interim Department and relevant structures of federal troops are negotiating the release of Russian servicemen," said the spokesman.

Russia: Groznyy: Abducted Russian Construction Workers Released

LD1103143796 Moscow ITAR-TASS in English 1429 GMT 11 Mar 96

[By Aleksandr Kharchenko]

[FBIS Transcribed Text] GROZNYY March 11 (Itar-Tass) — 18 Russian construction workers, who were taken hostage by Chechen separatists during their recent attacks on Groznyy, were released on Monday in the village of Urus-Martan, 40 kilometres south-east of Groznyy.

The report was confirmed to Tass by the Chechen Interior ministry.

84 Russian construction workers were abducted by Chechens in Lenin street of Groznyy on March 6. The fate of the other hostages is unknown.

Russia: Groznyy: Kulikov Condemns Authorities' 'Outrageous Negligence'

LD1103162996 Moscow ITAR-TASS in English 1617 GMT 11 Mar 96

[By Aleksandr Kharchenko]

[FBIS Transcribed Text] GROZNYY March 11 (Itar-Tass) — Russian Interior minister Anatoliy Kulikov said poor reconnaissance and intelligence allowed Chechen separatists to storm Groznyy and blasted authorities for "outrageous negligence" which resulted in heavy fighting and losses.

Kulikov told a press conference on Monday that authorities had been informed about the planned Chechen attack which was initially scheduled for February 23, which was the anniversary of the Stalin deportation of Chechens.

"The storming of Groznyy was planned for Febraury 23, there was information about it, but then vigilance was lost" as no attacks were launched on that day, he said.

Another reason is "poor work in reconnaissance, insufficient information provision", according to the minister.

Kulikov said nearly a thousand Chechen separatists attacked the city and 300 of them were killed and 350 wounded in three days of fighting.

He admitted, however, that some militants may still be in Groznyy posing for civilians. They could have again "moved to the underground", he said.

The federal death toll comprised 79 policemen and Interior troops, 276 servicemen were wounded and another 40 were missing, Kulikov said adding that the final figures were yet to be specified.

He said nothing about the death toll among the Russian army servicemen.

The minister stressed that criminal proceedings had been launched against those "who allowed the developments to take place either by inaction or by criminal actions".

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The separatists timed their attack to the meeting of the Russian Security Council in Moscow, where the Chechen peace scenario was discussed, and planned to seize the whole of Grozny, according to Kulikov.

"The plan was disrupted", he said, but admitted that the militants had destroyed a number of important objects in Groznyy.

Kulikov said the Chechen government had drafted plans to normalise the situation in the republic and the main emphasis is laid on "the expansion of the demilitarised zone".

The zone includes the territories which sign peace agreements with the Chechen government and have federal troops withdrawn in response.

Russia: Groznyy Fighting Seen Boosting Dudayev's Clout

MK1203125296 Moscow KOMMERSANT-DAILY in Russian 12 Mar 96 pp 1, 3

[Report by Dmitriy Kamyshev under the "Situation in Chechnya" rubric: "Dudayev Makes It Clear That Talks Should Be Held With Him"]

[FBIS Translated Text] By yesterday evening [11 March], the Dudayevites' "holiday" offensive on Groznyy was for the most part stopped — at the expense of artillery shellings, bombardments, and numerous casualties among servicemen and civilians. The political consequences of this assault could prove to be just as serious, however: The rebels' most audacious and large-scale operation in the recent past has demonstrated most graphically that the Russian power structures have been as yet unable either to crush the Dudayevites or reliably to protect the republic's capital from them.

The five days during which fierce street clashes were under way in Groznyy, like practically the entire Chechnya war, were full of mysteries and riddles. The most mysterious thing is the ease with which rebel detachments infiltrated into the city via roads packed with blockhouses and captured without halting several "bastions of the rule of law" — buildings of the republic's internal affairs [ROVD] departments. Another mystery were the actions of the federal group's command: Although the Chechen Internal Affairs Ministry [MVD] bombarded the military with reports about the serious scale of the fighting and requests for help from the first hours of the Dudayevites' assault, army generals advised them in response not to press the panic button over "a few dozen" rebels and ordered reinforcements moved in only on the third day of the battle, when the attackers nearly reached government buildings.

Meanwhile, Pavel Grachev himself was explaining to journalists that "nothing extraordinary" was under way in the Chechen capital precisely at the moment when the rebels controlled nearly one-third of Groznyy, according to official reports — and effectively seized it, judging by unofficial ones.

An absolutely mystical situation has come about over information on losses among Russian servicemen. If official reports can be trusted, it remains to suggest that nearly one-half of the privates and officers who were killed or wounded in the first days of the fighting have subsequently been resurrected or instantaneously healed their wounds. For instance, of the 70 men killed and 160 wounded — the casualties sustained by Russian MVD units in the first two days, according to a spokesman for the federal group of forces — only 38 men killed and 126 wounded remained two days later, according to equally official reports.

At yesterday's news conference in Groznyy, Internal Affairs Minister Anatoliy Kulikov cited fresh data, according to which losses in the federal troops were 79 men killed and 276 wounded. But there are also assertions of eyewitnesses from among MVD officers themselves, whereby certain blockhouses in Groznyy's environs and in the Chechnya capital proper were destroyed virtually completely. This runs counter to Kulikov's information, together with the utterances by an unidentified representative of the federal troops' command, who estimated the losses of the federal forces at 170 men killed in an interview for INTERFAX. At the same time, your KOMMERSANT-DAILY correspondent learned from reliable sources that reports by the Main Intelligence Directorate [GRU], which can hardly be dismissed as an inadequately informed agency, cite casualty figures of 200 men killed in the first two days of the assault alone.

Basically, there is nothing new in such liberties with regard to facts that are unpleasant for the military: Since the commencement of the Chechnya war the power agencies' propaganda machine has operated as a "silencer," barring access to any more or less reliable information. Although last year's spring successes of the federal troops somewhat softened the stern hearts of military propagandists, recently, if only judging by the operation in Sernovodsk (which representatives of the mass media were not allowed to enter even after local residents started returning there on Sunday), journalists have once again become an extremely inconvenient partner for Russian generals. Probably out of revenge for the dislike on the part of certain officials, a number of mass media clearly went too far in covering the latest goings-on in Groznyy: One cannot but get the impression that certain television reports, stylistically

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echoing "stories about the Great Patriotic War," have confused the axes of coordinates and have completely blurred the line between "our boys" and "theirs."

Yet difficulties in relations with the mass media did not prevent General Kulikov yesterday from heaping harsh criticism on the actions of the federal forces and the Chechen militia during recent clashes in Groznyy, a representative of the Chechen law-enforcement agencies told INTERFAX. In his words, "the minister was, in particular, extremely displeased with the teamwork by subunits of the Russian MVD, the Defense Ministry, and the Chechen MVD in repelling the assault by Dudayev's fighters on the Chechen capital." The meeting also dwelled in detail on reasons for "the special services' belated and incomplete briefing of the federal troops' command on the rebels' upcoming operations," the sources stressed.

However, none of that eliminates the problem of choice between two options: either to carry the Chechnya war to an end, that is, to a military victory, or to surrender to Dudayev and to pull out Russian troops. Meanwhile, recent events in Groznyy have shown that there is no one in Chechnya to negotiate with apart from Dudayev.

Russia: Sernovodsk Operation Complete; 'Snipers' Still in Groznyy

LD1103182896 Moscow NTV in Russian 1600 GMT 11 Mar 96

[From the "Segodnya" program]

[FBIS Translated Excerpt] The federal command officially announced the completion of the military operation in the Chechen town of Sernovodsk. The military said that at least 100 fighters had been destroyed. There were over 600 Dudayev men there, the majority of whom managed to leave the town.

After the visit to Sernovodsk yesterday by Interior Minister [Anatoliy] Kulikov, a decision was taken to open the corridor to allow the refugees to return. [passage omitted] Journalists, representatives of international organizations, the Red Cross, and others are still banned from entering Sernovodsk, until "special instructions from the command", the instructions say. [passage omitted]

According to Ekho Moskvy information, at least 70 percent of the houses in Sernovodsk have suffered substantial damage. [passage omitted]

Apart from guaranteeing the return of the refugees, the federal forces today dealt with clearing houses in Sernovodsk of mines. No other operations were carried out in the town.

According to the federal headquarters, the Chechen town, which was besieged by troops all last week, has entered the list of settlements which are completely cleared of Dudayev bandit formations. The villages of Alleroy, Novgroznenskiy, Bachi-Yurt and Kurchaloy are also on the list.

The situation is still complex in Groznyy. Two servicemen were killed and eight wounded over the past 24 hours.

Some districts of the town are closed to motor transport and local inhabitants.

The Chechen militia states that there are still snipers at Minutka Square.

Heavy clashes were registered in the Staropromyslovskiy and central districts of the town.

Despite the fact that the fighters are leaving Groznyy, the press bureau of the ministry of internal affairs reports that there are so-called "protective cover" groups being left by Dudayev's men in the town. There are several tens of them numbering seven or eight men, armed with fire arms and grenade launchers.

The fighters tried to dig in at the forest of Chernorechye near Groznyy today. After the federal forces checkpoint were fired at several times, the troops carried out a helicopter strike. [passage omitted]

Russia: Zavgayev, Kulikov Attend Chechen Government Session

LD1103141396 Moscow ITAR-TASS World Service in Russian 1327 GMT 11 Mar 96

[By ITAR-TASS special correspondent Aleksandr Kharchenko]

[FBIS Translated Text] Groznyy, 11 Mar (ITAR-TASS) — A meeting of the Government of Chechnya was held in Groznyy today. Head of the Chechen republic Doku Zavgayev, Russian Minister for Internal Affairs Anatoliy Kulikov, and Commander of the North Caucasus military district Anatoliy Kvashnin took part in the session.

The situation in the republic following the recent events was discussed at the meeting.

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Russia: Kremlin 'Helplessness' in Chechnya Seen as 'Transparent'

MM1203122096 Moscow SOVETSKAYA ROSSIYA in Russian 12 Mar 96 p 1

[Commentary by Zhanna Kasyanenko: "Boris Yeltsin on Dzhokhar Dudayev: 'So Long as We Are Unable To Lay Hands on Him....' The March Siege of Groznyy"]

[FBIS Translated Text] Dudayev is once again demonstrating to Yeltsin and to the whole world at the same time who has the final say in settling the war. As if mocking Yeltsin's plans, he wrecks them every time.

Last week, full of tragic events for thousands of our soldiers and the civilians of Chechnya and Ingushetia, confirmed that Dudayev has no intention of taking the Moscow center into his reckoning and calmly biding his time while the Security Council works on and then submits to the president for confirmation the seven celebrated plans to end the war. Dudayev always thinks ahead. The latest attack by Chechen separatists was clearly aimed at seizing Groznyy again and restoring last year's point of departure, thereby nullifying the infinite sacrifices of the war, the countless destruction, and the Russian budget resources spent on restoring the republic. The problem is that every attempt by the regime to cut the Gordian knot in the Caucasus makes the situation even worse and brings even more victims and destruction in its wake. And the more the latest attempt is trumpeted and publicized as an example of the consistency and firmness of the president's will, the more dearly it costs the Army and the country.

The audacious forays by the gunmen, who have switched from guerrilla operations to open warfare, indicate that Moscow can do what it likes and the president himself is at liberty to promise the war-weary people that it will soon end, but these remain mere words. The populist assurances given by Yeltsin on the eve of Women's Day that the war would be over no later than April have been completely invalidated by Dudayev. Moreover, the Groznyy operation could perfectly well spread. According to a statement by Shamil Basayev, his detachment will carry out raids in Dagestan to revenge the death of its comrades in Groznyy. Threats of acts of terrorism in other regions of Russia are also being made. Was the president not tardy in issuing his edict to start setting up a special anti-terrorism organization? But no organization, whatever it is, will solve anything — you will merely have more young men placed under attack and fire. It is not they but the politicians who have to create the conditions which guarantee the safety of the citizens of their state. However, the members of the regime ruling Russia today are incapable of this.

Thousands of refugees and the peaceful inhabitants of the Ingush village of Arshty, whose misfortune is to be located near the Chechen center of Bamut, which is regarded as Dudayev's main base, are also experiencing a disaster. Rocket and bomb strikes carried out on Bamut also engulfed that village last week. The wounded from there are arriving at hospitals in Sunzhenskiy Rayon. Those who managed to get out in time are homeless and hungry. The Kremlin seems incapable of offering any solution to the problem of Chechnya other than panic fire. But the problem is that it is the Russian people who bear the brunt of this fire, Dudayev manages to slip away unharmed every time. And, although criminal proceedings have been instituted against him, he continues to be the main player in Russian politics. The helplessness of the president and his team in solving the Chechen problem is transparent.

Russia: Outcome of Fighting in Groznyy Analyzed

MM1203124796 Moscow KRASNAYA ZVEZDA in Russian 12 Mar 96 p 1

[Report by Vladimir Gavrilenko and Anatoliy Stasovskiy: "Chechnya: Simulation of Activity on Eve of Collapse?"]

[FBIS Translated Excerpt] Whatever people there may say about the recent events in Groznyy, their important should not, I think, be exaggerated. In either the political or the military aspect. It is clear that Dudayev has tried to get himself noticed again. His "sector" in the Chechen political spectrum continues to narrow with inexorable rapidity. In Chechnya there is an increasingly obvious desire on the part of the local administrations, elders, and clans to reach agreement with the present official leadership of the Chechen Republic. In the villages and hamlets people are finally starting to understand where stabilization and the end of a senseless war could come from. The idea of a Chechen "island of liberty" continues to cloud the brains only of fanatical or absolutely immature people. Actually, it is these two categories of people that form the Dudayev's bulwark today. It is no accident that even those rayons of the Chechen Republic where pro-Dudayev feelings have always been considered very strong have started to turn away from the policy of the dictator general.

The "Shatoy process" (let us remind you that the first agreement on peace and accord was signed with the administration of this population center), which is gathering strength with every passing day, has really worried Dudayev and his entourage. Indeed, apart from the reduction in his political prestige, there has started to be a drastic decline in the gunmen's "living space": places for military bases, encampments, and depots....

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Back during the events in Novogroznenskiy a trend was clearly apparent described to us by Vasiliy Panchenkov, a KRASNAYA ZVEZDA [illegible]staff correspondent and a Russian Federation Internal Affairs Ministry internal troops lieutenant colonel, who was in Chechnya at the time. It is a case of how, according to the inhabitants of Novogroznenskiy, the gunmen frequently told them that they now simply have nowhere to go.

One more political loss for the Dudayev supporters is the failure of attempts to take the Chechen conflict beyond the borders of the Chechen Republic. The gunmen failed to find any particular support in either Dagestan or Ingushetia. Hence the convulsive casting around: Novogroznenskiy, Sernovodsk, and now Groznyy.

The second aspect is the military one. The main question here is what strategic or at least tactical aims were achieved? Here, let us be frank, Dudayev's supporters achieved nothing but propaganda ballyhoo. The mass media of a certain sort responded in the traditional manner to this: The already tiresome delight at the Dudayev supporters' actions, the "critical" (obviously amateurish) barbs against the federal troops, complaints about dead civilians...

Despite the loud (and sometimes even televised) statements about the seizure of administrative buildings in Groznyy, the gunmen did not actually manage to do this. They could only fire in their direction. The main "military" result of the gunmen's onslaught on Groznyy was that the civilian inhabitants, also Chechens, were left without water and electricity. The people for whose sake Dudayev is allegedly waging his "liberation" war are enduring deprivations yet again. And these are the people whom as before the gunmen are using as cover during their combat operations. Their tactics have undergone no changes: Dudayev's men carry out acts of provocation and attacks in those places where the federal troops are unable to use heavy weapons and aircraft.

From the military viewpoint we can also explain why it was in Groznyy that the latest flare-up of the activity of the illegal armed formations took place. Since the gunmen have become unwanted guests in the rayon population centers, when they are having increasingly to fight on open terrain face to face with the federal troops, suffering defeat after defeat, a big city does of course give them undisputed advantages. There is concealment when they move and the opportunity to equip strongholds in numerous buildings and basements, to maneuver small groups using passenger vehicles on the city streets....

But even these military advantages, like the brutality of their fighting methods, have not helped Dudayev's supporters. The federal forces together with the Groznyy police did not need that much time to break up the gunmen and drive them to the outskirts of Groznyy. Incidentally, perhaps for the first time the Chechen forces of law and order did indeed take the most active part in repelling the Dudayev supporters' attack.

It regrettable that in all these events in Chechnya civilian inhabitants are continuing to die. It is even more regrettable that irresponsible statements are being made about the federal troops fighting... the civilian population. So did 34 servicemen and policemen die in four days at the hands of the Groznyy population? And what about the 170 gunmen killed, found with weapons in their hands? Talk about the numerous casualties among the civilian population plays unequivocally into the hands of Dudayev's supporters. There is no denying that the gunmen's main forces were operating disguised as civilian inhabitants of Groznyy. It is not ruled out that, hiding their weapons and going out onto the streets, it was they who put forward all kinds of stories (and as a rule implausible stories!) about the course of the fighting. Alas, even experienced journalists continue to take the bait of this misinformation, although they obviously realize that this information is part of a carefully planned propaganda warfare campaign by Dudayev's supporters against the federal authorities and local government. [passage omitted]

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CIS: Normative Acts on Combined Air Defense System Approved

MM1203111396 Moscow KRASNAYA ZVEZDA in Russian 11 Mar 96 p 1

[ITAR-TASS report: "Air Defense System Will Nonetheless Be Unified"]

[FBIS Translated Text] The collegium of the CIS Interstate Economic Committee has approved a number of normative acts ensuring the creation and improvement of the CIS states' combined air defense system.

Among other things, a draft decision of the Council of CIS Heads of Government on normative documents regarding the creation and improvement of the CIS states' combined air defense system has been ratified, along with a draft decision of the Council of Heads of Government on the allocation of appropriations this year for aid in restoring the air defense systems of Armenia, Georgia, Kyrgyzstan, and Tajikistan and the allocation of funds for the activity of the Coordinating Committee for Air Defense Issues under the CIS Defense Ministers Council.

CIS: Border Guard Chiefs Make Progress at Latest Session

MM0803131496 Moscow KRASNAYA ZVEZDA in Russian 6 Mar 96 p 3

[Report by Valeriy Kovalev under the "Events and Comments" rubric: "Integration Reaches CIS External Borders. Commonwealth Border Troop Commanders Meet in Brest"]

[FBIS Translated Text] Brest — A routine session of the Council of Border Troop Commanders of the CIS member states was held last week. This time on the Commonwealth's western border, in Brest, a city which is rightly considered a symbol of our servicemen's courage and fortitude.... The session confirmed that integration processes in the CIS are getting stronger and stronger and that there is no alternative to them. This was specially emphasized by Ivan Korotchenya, the Commonwealth's executive secretary, who addressed the commanders.

He declared that the possibilities for pooling the states' efforts to ensure reliable guarding of the external borders of the CIS are far from exhausted, and he called for vigorous steps to be continued in this direction. Whereas Russia, Belarus, Kyrgyzstan, and Kazakhstan, for example, are already jointly resolving problems in ensuring that external borders are guarded, backing this up with corresponding agreements and resolving financial, material, and other questions, certain other countries, particularly Ukraine, are still at a crossroads.

It was declared at a news conference on the results of the council session that common points of contact are gradually being found. Delegations of the Ukrainian and Belarusian border troops are to have talks 20-21 March, at which practical questions of the two countries' border guards will be discussed. Since the meeting in Sochi real progress has also been made in arranging closer cooperation between the border departments of Russia and Ukraine. There is confidence that the three fraternal Slav states will succeed, in the end, in arriving at a common denominator in resolving problems concerning the guarding of borders.

Journalists were told that nine main questions were discussed at the council session. Most important were the draft fundamentals of creating a single information area for the CIS member states' border troops and a draft agreement on a procedure for exchanging information on questions of guarding the Commonwealth's external borders. The commanders also discussed draft agreements on cooperation in the event of crisis situations on the external borders and other documents.

CIS: ITAR-TASS Carries Press Review for 12 Mar

LD1203065196 Moscow ITAR-TASS in English 0622 GMT 12 Mar

["Press Review" — ITAR-TASS headline]

[FBIS Transcribed Text] MOSCOW March 12 (Itar-Tass) — Follows a review of Tuesday's Moscow-based Russian newspapers dated March 12.

IZVESTIYA on President Boris Yeltsin-signed Decree "On the Exercise of the Constitutional Rights of Citizens to Land".

"The essence of the Decree is pure and simple: once the farmer in Russia is a land owner, ownership rights should be registered."

TRUD on the situation in Chechnya.

"The conflict is insurmountable for as long as there is the lack of a more or less common attitude to it inside Russia itself. It is very important that various Russian ministries' and departments' actions in Chechnya be coordinated and purposeful", the newspaper points out in an article headlined "It was easier to start the war than get out of it".

KRASNAYA ZVEZDA on the dwindling of Dudayev's sway.

The newspaper believes that one should not overestimate the latest developments in Groznyy from either political or military point of view.

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"Dudayev's 'sector' in the Chechen political spectrum continues to dwindle with inexorable rapidity".

KRASNAYA ZVEZDA on Defence minister's resignation rumours.

The newspaper runs a statement issued by the Russian Defence Ministry denying rumours about the resignation of the Defence minister.

"It is impermissible to destabilise the situation in the Armed Forces, and spread various kinds of speculations about top officials of the Defence ministry or army personnel," the statement said.

KOMSOMOLSKAYA PRAVDA on presidential contenders' chances.

The newspaper carries an interview with Vladimir Shumeyko who estimates presidential conntenders' chances of success. He said a single candidate from reformist forces should be the main contender for the presidency.

"If such a candidate emerges, he will be able to rally Democrats, who regard themselves as such, under the banner of reformist ideas, as well as the centrists, and all those people who really want a continuaton of democratic reforms in Russia."

RABOCHAYA TRIBUNA on the idea of an authoritative party for Russia.

The newspaper runs an interview with Ivan Rybkin, former Speaker of the State Duma, the Lower House of the Russian parliament. He believes that Russia needs an authoritative party of Socialist orientation.

TRUD on the forthcoming presidential elections.

In an article headlined "From Parliamentary elections to Presidential ones", political scientist Lilia Shevtsova expresses the view that the outcome of voting depends on a further dynamics of public sentiments, which in its turn "will be determined by a whole number of factors — a solution to social porblems, the Chechen war, the state of citizen's personal security, etc."

ROSSIYSKIYE VESTI on an estimate of the situation in the country in the run-up to presidential elections.

The newspaper frontpages an article by State Duma Member Boris Fedorov, a prominent economist, who evaluates the situation in the country on the eve of presidetntial elections.

"Lamentations about an inevitable triumph of Communists are heard from all sides," Fedorov writes, calling on readers to draw right conclusions, i.e. to act in order to prevent yet another 70-years-long "Communist experiment".

ROSSIYSKAYA GAZETA carries an analytical article by its news analyst Vladimir Kucherenko about present-day approaches to the solution of complex economic problems in Russia.

In another article Transport Minister Nikolay Tsakh denies rumours about a possible nationalisation of transport services.

IZVESTIYA carries an interview given by Galina Vishnevskaya to Yuriy Kovalenko, the newspaper's own correspondent in Paris.

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Russia: Yeltsin Says 'Pressure' From Europe Must Be Resisted

LD1203112396 Moscow ITAR-TASS in English 1055 GMT 12 Mar 96

[By Andrey Shtorkh]

[FBIS Transcribed Text] MOSCOW, March 12 (Itar-Tass) - "Europe will not be fully-fledged without Russia and Russia cannot remain outside European unity," President Boris Yeltsin said during his meeting here today with members of the Permanent Delegation of the Russian Parliament to the Parliamentary Assembly of the Council of Europe.

Yeltsin noted that it was not an easy task for Russia to join the Council of Europe. "Russia has won the right to be a member of the Council of Europe by the level of its democratisation, especially in the past 2-3 years, by its serious efforts to promote human rights and the freedom of economic reforms," he pointed out.

The President expressed the hope that the two Houses of the Russian Parliament would ratify without any delays the four basic Conventions of the Council of Europe, which Russia had signed: for the protection of human rights, for the protection of national minorities, for local self-government, and for the prevention of tortures. He said that it was necessary to do much work in order to "take stock" of the approximately 160 European Conventions. Special attention, he said, should be given to the guarantees of human rights. A Russian citizen will henceforth be able to appeal to the European Court of Human Rights and its verdicts "will be binding on us", Yeltsin stressed.

"The Convention on Human Rights in the social sphere is particularly important for Russia," he added. "We must attain the level of human rights stipulated by that Convention, including such rights as pensioning, unemployment allowances, and medical care, the President pointed out."

However, Yeltsin stressed that not all the recommendations of the Council of Europe could be implemented quickly. This refers, in particular, to the moratorium on the death penalty or the transfer of reformatories from the jurisdiction of the Interior Ministry to the Ministry of Justice.

At the same time, Yeltsin told the MPs that it was necessary to resolutely cut short any attempts to "bring pressure to bear on us, to meddle with Russia's domestic affairs, to apply dual standards". The Head of State also urged the Russian parliamentarians to make full use of the European parliamentary rostrum to defend the rights of Russian-speakers in the Baltic states and the CIS countries.

Russia: Yeltsin Urges Duma To Ratify Council of Europe Conventions

LD1203085896 Moscow ITAR-TASS in English 0849 GMT 12 Mar 96

[By Andrey Shtorkh]

[FBIS Transcribed Text] MOSCOW, March 12 (Itar-Tass) — Russian President Boris Yeltsin has expressed the hope that the Russian Parliament would ratify without delay the four basic conventions of the Council of Europe which Russia had signed - on the defence of human rights, the rights of ethnic minorities, on local government and inadmissibility of tortures.

At a meeting with members of the Russian permanent delegation to the Parliamentary Assembly of the Council of Europe held today Yeltsin said that it was necessary to continue major work for the "inventory" of approximately 160 more European conventions.

At the same time, the president said that it was necessary to firmly cut short "attempts" to put pressure on Russia, interfere in its internal affairs or apply "double standards".

Yeltsin called on members of the delegation "to use in full measure the European parliamentary rostrum for the defence of the rights of the Russian-speaking population of the Baltic and the CIS states."

Russia: Primakov Urges New Security Architecture for Europe

LD1103174696 Moscow ITAR-TASS in English 1727 GMT 11 Mar 96

[By Valeriy Sevryukov and Tatiana Selivanova]

[FBIS Transcribed Text] MOSCOW, March 11 (Itar-Tass) — "Russia's position on NATO's expansion remains unchanged and is not subject to erosion," Russian Foreign Minister Yevgeniy Primakov said after his talks with Hungarian Foreign Minister Laszlo Kovacs in Moscow on Monday.

"At the same time, we are looking for ways out of the present situation and one of them is to establish a new European security architecture which would take into account the concerns of all parties," he said.

If NATO expands, Russia "will concentrate and think and then take adequate measures to ensure its interests," he added.

"I would think that one of the criteria for a possible compromise would be non-movement of NATO's military structure towards our borders," the Russian minister noted.

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Kovacs stressed that he considers Hungary's possible accession to NATO — Budapest has made it clear that it will seek NATO's membership — only as an "integral part of Hungary's efforts to integrate into Euro-Atlantic structures."

Hungary is not viewing it as a response to some military threat because "it does not feel such a threat," he added.

"We consider NATO's enlargement and Hungary's accession to this organisation only in the context that it will become a factor promoting stability and security, not drawing new dividing lines," he said.

"The Russian position is not a reason for changing Hungary's aspirations. However, now we have a better idea of Russia's way of thinking and the considerations of security it is guided by. This allows us to identify more clearly the areas where a certain compromise is possible," Kovacs said.

Geographical proximity and previous experience of co-operation provide for fruitful economic interaction between central and eastern European countries, Primakov said.

"We want not to repeat what was in the past, but make a maximum use of economic opportunities that exist in all countries in the region, for which will meet their interests," he added.

Primakov and Kovacs noted that the major obstacle to further development of economic relations between Russia and Hungary is poorly balanced bilateral trade.

In 1995, Hungary's exports to Russia were estimated at 800 million U.S. dollars, while Russia's exports to Hungary reached 1.8 billion U.S. dollars. As a result, the deficit of Hungary's foreign trade with Russia exceeded 1 billion U.S. dollars which is almost half of the country's foreign trade deficit.

The two ministers agreed to set up a joint working group and gave it a month to work out and propose specific measures to resolve this problem.

Another working group, which will hold its first meeting in early April ahead of the Hungarian culture minister's visit to Russia, will deal with the restitution of cultural values. The sides agreed that a solution to this problem should be a "two-way road."

On Monday, Kovacs also met Russian Federation Council Chairman Yegor Stroyev and State Duma Chairman Gennadiy Seleznev to discuss the development of inter-parliamentary ties between the two countries.

Summing up the results of his visit, Kovacs noted that it nicely fits into the framework of Hungary's foreign policy aimed at developing a ramified system of friendly relations in all areas, including with Russia as a major factor in regional policy.

Kovacs invited Primakov to arrive in Hungary on an official visit. The date of the visit will be agreed via diplomatic channels.

Russia: Yeltsin Allows Arms Sales to States of Former Yugoslavia

LD1203090496 Moscow ITAR-TASS in English 0822 GMT 12 Mar 96

[FBIS Transcribed Text] MOSCOW March 12 (Itar-Tass) — President Boris Yeltsin allowed limited sales of weapons to the countries of former Yugoslavia from March 14, his press service said on Tuesday adding that the embargo was lifted on arms and equipment.

The ban was still valid on heavy guns, ammunition, mines, combat planes and helicopters.

The limitations are to be finally dropped after June 11, 1996 if the UN Security Council does not pass a different decision.

The press service said that the presidential decision was passed according to the UN Security Council resolution 1021 of November 22, 1995.

Russia: Russian Military Role in Bosnia Seen as Humiliating

MK1103140996 Moscow ZAVTRA in Russian No. 10, March 96 (signed to press 5 Mar 1996) p 4

[Report by V. Smolentsev: "The Balkan Disgrace"]

[FBIS Translated Text] What are we doing in the Balkans? The Russian president and his defense minister tell us that we are fulfilling a very responsible and highly honorable task of keeping peace there and that the Russian brigade is a serious combat force which is quite independent and self-sufficient and which apparently maintains Russian interests in the region.

What is the actual state of things? Of the more than 60,000-strong occupation army which landed in Bosnia, our brigade is merely 1,300 men; that is to say, 1/60th of the overall contingent. Therefore there is no question about its seriousness as a military force, especially considering that it is armed only with "light" weapons, the most "powerful" among which are armored personnel carriers and mortars. And this against the backdrop of 200 tanks from the U.S. First Armor Division and hundreds of combat aircraft and helicopter gunships airlifted here by NATO. Incidentally, Russian combat aviation was not allowed into Bosnia altogether....

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The peacekeeping operation is in effect a typical occupation, under NATO auspices, of Bosnian Serbia, when under NATO guns and aircraft, Bosnian Serbs must cede more than half of their territory to Croats and Muslims. In this despicable undertaking, a place has been found also for us.

True, NATO is in no hurry to trust Russians in the Balkans. Therefore they were assigned the most dangerous sectors — the Pasavin corridor and a district in the town of Brcko [names as transliterated], where shooting and clashes between Serbs and Muslim Croatian units go on continuously. To prevent Russians from, God forbid, showing any loyalty to the Serbs, a U.S. special task company from the Special Operations Division has been attached to the brigade. All company servicemen are fluent in Russian and well informed about the organization of Russian forces and their command and control system. The company is divided into several "liaison and observation" officer groups, distributed by subdivisions, down to the company level.

Put simply, a U.S. spy has been attached to each Russian company, with his own communication facilities to which Russian servicemen have no access.

NATO demonstrated three weeks ago who the real master of Bosnia is when after a meeting, unsanctioned by NATO, between Russian force commander Major General Nikolay Staskov and the Bosnia Serb command he was, on NATO demand, dismissed from his position and sent back to Russia.

To replace him, Major General Sigutkin flew to Bosnia; he is well known in the paratroops for his indecisiveness and kowtowing to his bosses. Moreover, Sigutkin is more loyal toward the United States and NATO than Staskov.

Yet, the main bridle which easily keeps the brigade under NATO command is His Majesty Dollar. A private here gets $600 to $800 [a month] and an officer up to $1,000. This, however, is three to four times less than what "white people" — Americans, British, and French — get, but far more attractive than $300 in Chechnya, under fire....

In addition to the existing forces, the United States has begun to deploy in Bosnia an intelligence center with attached combat units for deep reconnaissance and commando missions with an overall strength of more than 1,200 men....

Russia: Moscow May Secure Islamic Approval of Chechen War at Summit

LD1103193996 Moscow INTERFAX in English 1752 GMT 11 Mar 96

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] MOSCOW, March 11 (Interfax) — During the summit on the Middle East settlement and on measures to combat international terrorism which is to open in the Egyptian city of Sharm al-Shaykh March 13, Moscow might secure once again the approval or at least understanding by foreign leaders, particularly Islamic ones, of its conviction that "the war in Chechnya cannot be viewed as the struggle waged by Christian Russia against Muslim Chechnya," Director of Russia's Institute of U.S. and Canada Studies Viktor Kremenyuk told Interfax.

He said President Yeltsin "has every reason to state during the summit that Dzhokhar Dudayev's supporters are not fighters for independence, but real bandits and terrorists."

At the same time, he denied the reports that in Sharm al-Shaykh Russia might seek the assistance of other countries in solving its internal problems which have to do with combating terrorism.

"I don't think Boris Yeltsin or any member of the Russian government would welcome such assistance. The Russian government's policy is radically different and is aimed at allowing as few aliens as possible into Chechnya," he said.

He believes that the U.S. "may use the summit for supporting Israel once again, particularly in the wake of the recent terrorist acts in Tel Aviv and Jerusalem.

"This may bring the Clinton administration additional votes during the presidential elections, first of all from the pro-Israel lobby and conservatives who believe that terrorists must be eliminated always and everywhere," he said.

He said that in Sharm al-Shaykh President Clinton may raise the question of Cuba in connection with the recent incident when two American planes were shot down by the Cuban air force.

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Russia: Terror Summit Will Be Offered Chechnya 'Experience'

MM1103150796 Moscow IZVESTIYA in Russian 12 Mar 96 p 3

[Report by Gennadiy Charodeyev: "Russia Exchanging Experience in Combating Terrorism in Sharm al-Shaykh..."]

[FBIS Translated Text] Russian Foreign Minister Yevgeniy Primakov has not been in the holiday mood over the last few days; he has been having intensive telephone conversations with representatives of the major powers about the meeting in Egypt scheduled for 13 March on problems of a Near East peace settlement and the fight against international terrorism.

The presidents of the United States and Russia as well as the leaders of Israel, Palestine, and dozens of other countries in the Near East, North Africa, and West Europe have already announced that they will be taking part in the "peacemakers' summit" in the resort town of Sharm al-Shaykh.

Presidential Press Secretary Sergey Medvedev believes that an international coalition against terrorism will be formed in Sharm al-Shaykh and an effective mechanism for combating terrorism will finally emerge. The Egyptian forum will give a boost to a Near East settlement and reinforce the PLO leaders' intention of taking more determined action against terrorists.

Libya and Iraq take an oppposing view. People there have sharply criticized the very idea of holding an international meeting in Egypt, and Libyan leader Mu'ammar al-Qadhdhafi has said that the Red Sea summit is "pointless, since the evil in the region will not disappear as long as Israel and the United States exist."

According to some sources, Russia intends to contribute to formulating a program for combating terrorism. Boris Yeltsin will apparently propose concrete measures to eliminate terrorist groupings, using Russian experience in Chechnya and other "hot" regions of the CIS. Our special services, which have begun to cooperate with foreign antiterrorist services, have drafted their own recommendations, which the Russian president is expected to put forward in Sharm al-Shaykh.

A Russian Foreign Ministry Information and Press Department spokesman said that Egypt and the United States came up with the initiative for the summit meeting. It will be opened by President Hosni Mubarak, and lengthy speeches by Boris Yeltsin and Bill Clinton will then follow.

Russia: Moscow Conference on International Terrorism Opens

LD1103203196 Moscow Mayak Radio Network in Russian 1920 GMT 11 Mar 96

[FBIS Translated Text] An international conference under the slogan: Terrorism — the greatest threat to world community, which opened in Moscow today will continue its work on Tuesday. Our correspondent Irina Cherkova was present at the opening of the conference.

[Cherkova] The conference in Moscow has been staged by a public organization, the Russian-German Mannheim Initiative Association. Specialists from various Russian and German public organizations and scientific establishments are taking part in the conference. It is the 19th such conference staged by the Mannheim Initiative group.

President Arkadiy Udaltsov opened the conference and said, in particular:

[Begin Udaltsov recording] When several months ago we thought that a conference on the problems posed by terrorism should be staged, we did, of course, know that terrorism was making itself increasingly felt almost throughout the world. Naturally, we did not think that major terrorist operations would be staged now, as has been the case over the past few weeks in Israel and in the Caucasus, and that politicians would hold a major conference of their own in a few days.

I think that our conference may make a contribution of its own to the understanding by many social strata of the unbelievable threat posed by terrorism. [end recording]

[Cherkova] I asked a participant in the conference, Andrey Shumikhin, doctor of political sciences and a Near East expert, whether terrorism was in principle eradicable as a worldwide evil. Here is his reply:

[Begin Shumikhin recording] This is wholly a philosophical question. It is surely impossible to give an unequivocal answer to it. Unfortunately, some specialists working in related fields, in the areas of politics, psychology, and even medicine are convinced that violence — and terrorism is, of course, violence — is just as ineradicable as other aspects of our human nature. One would not like to have some sort of fatalistic belief in this. One would like to believe that as mankind develops, as society develops, as individuals develop, as our relations get better, the foundations underpinning these negative phenomena will be progressively eroded. The rest will, of course, depend on us all and on the way society develops. [end recording]

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[Cherkova] The conference will continue its work over the next two days. We will tell you about the recommendations it comes up with.

Russia: Veterinary Department Highlights U.S. Poultry Problems

LD1103194496 Moscow INTERFAX in English 1905 GMT 11 Mar 96

[FBIS Transcribed Text] MOSCOW, Mar 11 (Interfax) - The Veterinary Department of the Russian Agriculture and Food Ministry "is ready to resume anytime the talks" on the issue of licenses for the import of U.S. chicken leg quarters if "U.S. exporters are prepared to fulfill the assumed commitments to meet veterinary certificate requirements," Vyacheslav Avilov, the department's head, said in a letter to the State Duma Agrarian Committee.

Interfax has learned the letter says that the Russian side for the first time pointed out incidents of infectious diseases among U.S. poultry, which hampered their export from some U.S. states as early as last May. An expert from the department, sent to the United States to resolve the problem, found out the failure on the part of the U.S. side to meet some of the veterinary certificate requirements.

According to Avilov, the Russian veterinary service repeatedly notified the U.S. side of the failure to meet all the requirements.

A delegation of the U.S. department of Agriculture did not deny these violations at the talks held in Moscow on February 15-16, 1996, said Avilov. However, the U.S. side demanded that it be given time until August 15 to resolve the problem, during which term poultry export was not to be suspended, he said.

Regarding the U.S. side's failure to fulfil its commitments as "serious" and the deadline for resolving the problems as "unreal," the department decided to suspend the issue of licenses for the import of U.S. poultry, said Avilov. At the same time, it authorized customs clearing of the poultry imported on previously issued licenses, reads the letter.

Speaking at a news conference in Moscow Monday, Avilov criticized the media which, he said, "politicized the veterinary service." He said, however, that he regards the resolution of the conflict "with optimism."

Russia: Terrorist Danger Makes Mossad Seek Cooperation With Moscow

MK1203120896 Moscow NEZAVISIMAYA GAZETA in Russian 12 Mar 96 p 2

[Report by Igor Korotchenko, Andrey Streletskiy: "Mossad Ready To Interact With SVR. The Russian Intelligence Service Does Not Abandon Useful Cooperation"]

[FBIS Translated Excerpt] The series of terrorist acts staged by the Hamas radical Palestinian group in Tel Aviv, Jerusalem, and Ashkelon have come as a surprise to Israel's special services, a well-informed officer at the Israeli Embassy in Moscow has told NEZAVISIMAYA GAZETA.

"In this situation, we are effectively powerless to prevent new terrorist acts or successfully counter terrorists' attempts to penetrate our territory," the Israeli diplomat said. However, after the closure of the border with the Palestinian autonomy and the installation of obstacles, warning systems, and mine fields along its perimeter, a chance will appear to avoid a recurrence of tragic events.

To prevent mass deaths of its citizens from all forms of terrorist manifestations, Israel is ready to use any options and possibilities, including the reaching of corresponding agreements between Moscow and Tel Aviv on the mutual exchange of information concerning groups and organizations in the Middle East which use terrorist methods in their activity. Specifically, this can involve the conclusion of a special agreement between Mossad and the Russian Foreign Intelligence Service (SVR), under which two of the world's leading special services could, on a confidential basis, exchange intelligence without disclosing sources of their information. According to the Israeli diplomat, Mossad is already holding emergency consultations with a number of Western intelligence services, including the CIA and MI6, in the course of which Israel hopes to obtain additional information about the composition and size of Palestinian militant groups, their locations, financing sources, and secret addresses. After this, retaliatory actions are most likely on the analogy of the controversial liquidation of the well-known Palestinian terrorist Yahya Ayasha [name as transliterated], also known as Engineer, who was killed in January 1996 with a plastic bomb planted in his cellular phone. [passage omitted]

Touching on the recent detention by the FSB [Federal Security Service] of a Mossad Moscow station officer, the Israeli Embassy spokesman said he believed the publication of the details of the incident in the Israeli press had become possible as a result of an unintentional in-

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formation leak. He also added that the statements about increased intelligence activity by SVR, GRU [Main Intelligence Directorate], and FSB officers working under the "roof" of the Russian Federation Embassy in Israel do not reflect the official position of the Israeli Government.

"The SVR has often stressed its readiness for cooperation with the special services of foreign states if this constitutes a mutual interest," Yuriy Kobaladze, SVR press bureau chief, said commenting on the aforementioned position by the Israeli diplomat. This cooperation, according to him, is especially necessary in addressing problems affecting the security of many countries. International terrorism has emerged as one of the main problems, taking on an even ever greater urgency recently.

General Kobaladze stressed that interaction between the SVR and the intelligence services of particular Western states is not aimed against the interests of third countries.

Russia: Afghan Taleban 'Likely' To Fix Date for Release of Air Crew

LD1103182796 Moscow INTERFAX in English 1711 GMT 11 Mar 96

[FBIS Transcribed Text] MOSCOW, March 11 (Interfax) — Afghanistan's opposition movement Taleban is likely this week to fix a date for the release of the crew of a plane, seized last August, belonging to private air company Aerostan, based in Tatarstan (the Russian Federation).

The Russian Foreign Ministry told Interfax Monday that the Taleban leaders were currently holding a conference in Kandahar, Afghanistan, to discuss, among other things, the liberation of the Russian pilots.

Russia's Deputy Foreign Minister Albert Chernyshev told Interfax that the Talebans had promised to announce the date between March 10 and 12.

Meanwhile, the Taleban movement "is not taking the talks on the liberation of the Russian pilots seriously, and is permanently foiling the negotiations," the Tatarstan president's advisor, Timur Akulov, told the Interfax-Eurasia agency Monday in Kazan, Tatarstan.

He announced that he would arrive in Moscow Tuesday to resolve a number of questions with the Russian Foreign Ministry, including the problem of liberating the refugees.

He said he was ready to fly out from Moscow to Afghanistan for urgent talks with the Taleban.

Russia: Digital Project 'Ultimatum' to Western Firms

MM1203115296 Moscow FINANSOVYYE IZVESTIYA in Russian 7 Mar 96 p i

[Report by Mikhail Kukushkin: "Ministry of Communications Gives Western Participants in '50x50' Project An Ultimatum"]

[FBIS Translated Text] The Russian Ministry of Communications Collegium has adopted a decree fundamentally changing the position in the Russian market for long-distance communications services. The decree relates to the "50x50" project, which envisages the creation in the country of a large-scale digital network, which should add another 20 million lines by 2010 to Russia's existing 26 million lines.

It is planned to set up a new company to operate the network. Until the recent session of the Ministry of Communications collegium it had been thought that 51 percent of the new operator's incorporation capital would be held by Russia in the shape of the "Rostelekom" Joint-Stock Company (owner of Russia's long-distance communications lines) and the "Rossiyskiye nalozhennyye seti" [Russian overlay networks] Company (known by its English abbreviation RON), which unites regional communications operators. And 49 percent of the shares were earmarked for foreign investors, mainly the U.S. firm of US West, Germany's Deutsche Bundespost Telekom and France's France Telecom. Until the end of last week this was how the roles in the project were viewed.

The Ministry of Communications collegium decree completely changes the breakdown. It is now planned to allot 51 percent of the shares in the "50x50" Joint-Stock Company to the "Svyazinvest" Joint-Stock Company, which will pay for them with 12.5 percent of its own shares. And only the remaining 49 percent of the incorporation capital in "50x50" will be distributed between the "old" participants in the project — both Russian and foreign. It is planned to register the new operating company immediately — no later than 31 May 1996. Communications Minister Vladimir Bulgak stated at the collegium session that each of the foreign founders is expected to put up approximately $200 million.

In the event of Western partners refusing to organize the joint-stock company on the basis of the new ministerial proposals, the Ministry of Communications considers further talks with them pointless and intends to set up "50x50" with the participation of "Svyazinvest," other Russian companies, and possibly new foreign partners if any can be found. This radical change in the ministry's

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position was explained at the collegium session by the fact that over the past few years a considerable amount of the work to develop a national electronic communications network — which had been envisaged as one of the initial versions of the "50x50" project — has already been done by Russian operators.

In particular, over the past year modern automatic exchanges with a total capacity of 1.5 million lines have been established in local networks, and another 2 million lines are expected to be available in 1996. Sixteen electronic intercity telephone exchanges were brought on line in 1995, and around another 20 will be ready for commissioning during the current year. Total investment in the general-purpose network in 1995 came to around $1.5 billion.

Several questions arise from reading the decree. First, RON's role in the "50x50" Joint-Stock Company is unclear. There are considerable doubts about that company's ability to take part in the project. The fact is that it formally unites local communications operators but does not control their assets. Those assets are controlled by "Svyazinvest," whose incorporation capital is formed from the state shareholdings in local telephone companies (there are more than 80 of them in Russia). But RON is something akin to a club or a public association. It is not clear what as such it would be able to offer in the form of payment for its shares in the new joint-stock company.

Second, relations between the new operating company and "Rostelekom" are hardly going smoothly.

The "Rostelekom" Joint-Stock Company, which currently holds the Russian monopoly in long-range communications, is probably not overjoyed to see the emergence of a competitor controlled by "Svyazinvest." Theoretically, the "50x50" joint-stock company could set up its own network by leasing lines not owned by "Rostelekom" (that is, mainly satellite lines). But the Ministry of Communications collegium decree directly states that the ministry "will coordinate projects implemented in the next few years by the 'Rostelekom' Joint-Stock Company, regional electronic communications joint-stock companies, and the '50x50' Joint-Stock Company with a view to...ruling out any initially undesirable...competition between operators." It is pretty hard to be in the same business without competing.

Finally, communications experts who have familiarized themselves with the document unanimously noted that Western telecommunications giants will most probably refrain from investing in the "50x50" Joint-Stock Company on the terms offered.

Putting forward a proposal effectively in the form of an ultimatum (money now or the talks break down), the Ministry of Communications probably reckons that any response from foreign partners will have positive aspects as far as it is concerned. If they invest in the joint-stock company, all well and good. If they don't, the ministry's leadership will score some useful political brownie points in the current situation ("Russia's communications sector will provide telephone services for the country out of its own resources"). As for Western money, it will not be going anywhere. It will simply enter the country not in the form of large-scale investment, but as loans for specific local projects — as has been the case throughout all the past few years.

One other tactical aim of the new version of "50x50" could be to get "Svyazinvest" "in a position to operate." Hitherto this holding company has done nothing to recommend itself in terms of active operations on the Russian communications market. It has probably only become widely known as a result of the scandalous breakdown at the end of last year of the deal to sell off a 25-percent shareholding in "Svyazinvest" to a foreign investor. It cannot be ruled out that on the threshold of a new attempt to close this deal (expected to happen in late summer-early fall) the company could do with a major achievement which would give more of a point to its existence.

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Political Issues

Russia: Yeltsin, Chernomyrdin Discuss Socioeconomic Issues

LD1203124796 Moscow INTERFAX in English 1013 GMT 12 Mar 96

[FBIS Transcribed Text] MOSCOW, March 12 (Interfax) — Russian President Boris Yeltsin and Prime Minister Viktor Chernomyrdin are discussing the current social and economic situation in the Kremlin Tuesday, Presidential Press Secretary Sergey Medvedev announced during a briefing.

Some progress has been made in solving the problem of wage arrears, Medvedev said, and last week the wage debt decreased by another six percent. The president exercises daily control over the payment of wages and benefits: every morning, the president's advisers and others responsible for payment of wage arrears inform the president of the work carried out the previous day, said Medvedev.

On Tuesday, Yeltsin is to receive Chairman of the Central Electoral Commission Nikolay Ryabov to discuss preparations for the presidential elections and principles of financing this campaign.

He will also receive Sergey Shakhray, the chairman of the presidential commission for power-sharing agreements. Medvedev said that this process had not yet been put on a solid legal footing, so Shakhray might urge the president to sign a decree regulating the process of power-sharing between the center and the regions pending the adoption of a corresponding law.

Russia: Yeltsin: Russia To Fulfill CE's Human Rights Requirements

LD1203110296 Moscow 2x2 Television in Russian 1000 GMT 12 Mar 96

[FBIS Translated Text] Russia will strive to fulfill all the requirements of the charter of the Council of Europe [CE], Russia's President Boris Yeltsin said today during a meeting with a delegation of the Federal Assembly to the Parliamentary Assembly of the Council of Europe. The Federal Assembly is due to ratify four conventions of the Council of Europe signed by Russia: on the protection of human rights, on ethnic minorities, local self-government and against torture, Boris Yeltsin stressed. The guaranteeing of human rights in Russia requires particular attention. Now, if these are infringed, any Russian citizen can apply to the European Court of Human Rights and the court's decision will be binding for us, said Yeltsin. The president also said that the Russian Ministry of Foreign Affairs and the Minister of Foreign Affairs are now the single coordinator of the state's entire activity in the foreign sphere.

Russia: Yeltsin Opposes Immediate Abolition of Death Penalty

LD1203102196 Moscow ITAR-TASS in English 1000 GMT 12 Mar 96

[By Andrey Shtorkh]

[FBIS Transcribed Text] MOSCOW March 12 (Itar-Tass) — President Boris Yeltsin believes Russia would not be able to follow the Council of Europe recommendation and abolish the death penalty at present.

"Not all recommendations of the Council of Europe can be implemented in the near future", he said on Tuesday at a meeting with the Russian delegation to the parliamentary assembly of the Council of Europe.

This concerns a moratorium on death penalty and the transfer of prisons and labour camps from the Interior to the Justice ministry.

Russia: Yeltsin's Attention to Shumeyko Movement Causes NDR 'Dismay'

MK1103140896 Moscow ZAVTRA in Russian No. 10, Mar 96 (signed to press 5 Mar 1996) p 1

[Untitled "field reports by DEN's Security Service"]

[FBIS Translated Text] Sources close to NDR [Russia Is Our Home] say that the emergence of the "Shumeyko movement" and the attention given to it by Yeltsin have caused dismay in the NDR headquarters and an even greater dismay in the NDR [parliamentary] faction's numerous staffs and State Duma committees it controls. If the president gambles on Shumeyko, these people reason, and wins the election, the present Duma is bound to be dissolved and another faction will appear in the new Duma representing the ruling establishment and, therefore, other people, close to Shumeyko. In this connection some NDR members have come to the conclusion that of all presidential candidates only Zyuganov, in the event of his victory, will not touch the present Duma, guaranteeing it four years of existence. Observers note that this is not the least factor in the unexpectedly smooth agreement between Seleznev and Shokhin on matters concerning the structure and the personal composition of the Duma staff....

Sources close to the president report that after an arrest warrant was issued for Stankevich, G. Satarov has found himself in an ambiguous situation. The "Stankevich-Satarov" tandem since their college days has engaged in applying various statistical procedures to political analysis. Satarov provided "mathematical" support for the scientific and political activity by Stankevich, who made a substantial contribution to giving the "totalitarian" society an "intelligent human image." It was Stankevich

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who recommended Satarov for his current position as presidential aide. Observers raise the legitimate question: If Stankevich could not do without mathematician Satarov even in science and politics, how, then, is his financial activity connected with Satarov?...

The subject: "Satarov and Money" and "Satarov and Actual Science" surfaced last week in presidential advisory circles following Yeltsin's and Satarov's visit to the Kremlin's new situation analysis center. A lot of money has been invested in this center in the hope that it will come up with new, up-to-date analysis principles.

In fact, however, the new establishment is basically a carbon copy of the well-known Information Processing Center of the CPSU Central Committee, only slightly updated and provided with better facilities for the collection and presentation of statistics. The imagination of "hardware specialists" led by "statistician" Satarov did not go beyond that. As a result, they pulled the wool over the president's eyes and wasted huge sums of money. They say that Zyuganov's advisers breathed a sigh of relief. The ruling regime did not even get what the CPSU Central Committee had: game models and artificial intelligence systems and procedures for interpreting the collective subconscious and designing the world outlook of political subjects.

It needs to be pointed out, however, that the commissioning of this center expands the regime's possibilities in manipulating election results because this process is primarily subject to statistic regularities....

Russia: Soskovets Notes Basis of Yeltsin's Election Program

LD0903134596 Moscow ITAR-TASS World Service in Russian 0717 GMT 9 Mar 96

[By ITAR-TASS correspondent Oleg Velichko]

[FBIS Translated Text] Moscow, 9 Mar (Itar-Tass) — Provisions such as giving greater social orientation to economic reform, strengthening Russian statehood, and combating crime should be made the basis of Boris Yeltsin's election program, Oleg Soskovets, Russian first deputy prime minister, said in an interview with the ITAR-TASS correspondent. While in charge in the government of industrial policy, the military-industrial and fuel-and-power complexes, transport, and communications, he is at the same time voluntarily heading the coordinating council on the Russian Federation president's election campaign.

The first deputy prime minister considers that during the presidential campaign it is necessary to take account of the lessons of the last parliamentary elections. He said that one of them was "a blanket criticism by the opposition of everything the government is doing." In this connection, he expressed the view that there should be "an open dialogue with the Russian people to explain the measures being taken by the Cabinet of Ministers to stabilize the economic situation in the country."

Soskovets thinks that strengthening the social orientation of reforms and stepping up the government's supervision of the use of the federal budget and the efficiency of tax collection would help to create good conditions for the reelection of Boris Yeltsin for a second term. At the same time, he particularly stressed that the search for a reasonable balance between financial stabilization and industrial growth would help the government to make considerable progress along the path of reforms. For this purpose, Soskovets specified, the Cabinet of Ministers has already started taking measures to support the country's goods manufacturers and resolve the problems of the timely payment of wages to the population.

Russia: Case for Yeltsin's Reelection Presented

MM0803161796 Moscow ROSSIYSKAYA GAZETA in Russian 6 Mar 96 pp 2,7

[Article by Mikhail Gurevich: "Or Are People's Memories Playing Tricks on Them?.. Russia Needs a Strong President To Continue the Reforms"]

[FBIS Translated Text] One of the many features distinguishing Boris Yeltsin from our state's recent leaders is that he dislikes long speeches. His predecessors pontificated almost every week (health permitting) at some "portentous" plenum whereas the Russian president's speeches are infrequent but concise. Incidentally, in terms of frankness even his reminiscences "A View From the Kremlin" puts him streets ahead of any of the memoirs of those who have retired recently.

But recently Yeltsin has twice delivered program statements: one to people from his home region when he announced his decision to run for a second term as head of state, the other to Federal Assembly deputies when he summed up the country's life in the past few years and made some important comments about the future.

Yeltsin has launched his election campaign. This decision, as Boris Nikolayevich himself said, was a difficult one for him to make. Now it is our turn to decide and make our choice.

However, in principle hardly any of the current politicians or people intriguingly known as "observers" were in any doubt that Yeltsin would give a positive response. And that is why the cavalry attacks on Yeltsin no longer as president but as a presidential contender (and a very strong one, too) began long before 15 February.

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The Communists and nationalists have been making their comments about Yeltsin for a long time now so there is no reason to expect any surprises there. It is far more interesting to look at the behavior of people who used to work with Yeltsin.

On the eve of the head of state's visit to Yekaterinburg Yegor Gaydar repeated yet again that Yeltsin should not run in the new elections. An election without Yeltsin will be a vote "against the Communists" whereas an election with Yeltsin will be turned into a "vote against Yeltsin." And the Communists will win.

Perhaps Yegor Timurovich is so accustomed to making unpopular economic decisions that he is simply no longer capable of making popular political ones!

Sergey Kovalev, who left the Presidential Council along with Gaydar, loves to share the following cherished idea with the public: He does not intend to support Yeltsin even if he is running against Zyuganov or Zhirinovskiy. In this instance Sergey Adamovich reminds me of a rather odd figure from literature, the eccentric countess who for some reason took offense at her noble husband and out of spite replaced him with the stable boy.

Unfortunately, many of our politicians have yet to grasp one simple truth: The principle "None of you will get anything from me!" is all very well within the family or within a party (sometimes they are almost one and the same thing) but it is inappropriate to present-day state activity. It is time for an end to these suicidal tendencies which are dangerous not only to the authors of dubious slogans but also to the whole country.

Perhaps some of you will remember this. There used to be a politician who did much to enrich the Russian language. For example, he was fond of comparing his opponents to "worms," "cockroaches," "hyenas," and other unpleasant representatives of the animal world. Surprisingly enough all the opponents thus labeled by him (the bulk of them outstanding representatives of the liberal intelligentsia) unanimously took on trust and willingly extolled their detractor's well-known slogan: "Politics is a dirty business."

Yes, it is a dirty business, the liberal intellectuals say, a really dirty business and it is getting dirtier with each passing day so that we would do better to stand aside and not get our snow-white gloves dirty, they will serve us well at receptions in countries with a developed form of democracy.

Yes, I agree, it is a dirty business. But the people with the cleanest hands are those who do nothing but lament loudly whereas the sloggers who get their hands dirty do not fit very well into the picture of the ideal universe. A politician of presidential stature does not operate in a bureaucratic vacuum. Even the authorities of little neutral Switzerland attracted stinging rebukes from its liberal subjects like the satirist Duerrenmatt. So what about the leader of an enormous state which is going through a complex stage in its history?! He is not a gold coin that is universally loved, he is not a soccer player, nor is he a game show host.

Of course, to dream of a situation where ever humble policeman at his post would be like Academician Sakharov is perfectly understandable. It is pleasant to dream but you have to come down to earth again from time to time.

You will remember how in 1991 Yeltsin embarked on a thankless program of work which everyone called "heavy" and "dirty." That was when Yeltsin became head of the pro-reform government. Not many people took their places alongside him. The rest preferred to criticize "from the hilltop."

The economic reform was launched in the most difficult conditions at a time when there was no one around except carping experts. In conditions of free speech anyone — from an academician to a gas station manager — could spit at the Kremlin and scream: "I know what needs to be done!" Now, admittedly, many of the opponents have quietened down, some having joined a foundation, others an "analytical" center, others a university (quieter and more lucrative places than ministries) but the baton has been worthily taken up by the Communists in the Duma.

Everyone is screaming about the criminal threat but no sooner had Yeltsin issued the edict on the fight against organized crime than people began to wail equally loudly: "The dictatorship is coming! This is a violation of human rights!" There was a great deal of fuss — like over the well-known purse from the series about Zheglov and Sharapov. The only difference is that in the movie all the gang members were caught whereas on this side of the screen....

This is dishonest, guys.

Yeltsin's opponents like to recall his party past and his oblast committee [obkom] secretary's ways. Those who criticize the president for the former are dishonest rogues, those who criticize him for the latter are just fundamentally mistaken.

There are figures who began to build their party careers while they were students on the CPSU history course. Yeltsin is not one of those. He joined the CPSU in his thirties when the promising construction organizer had to join simply to ensure the successful development of his professional activity. He joined the

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oblast committee so as to take charge of construction work and was invited to join the Central Committee after that. You will appreciate the difference: On the same floor of the Central Committee building you could find someone who was honestly studying a given sector of production and a functionary whose job was to provide the ideological disguise for the export of revolution.

As for his obkom secretary's ways, there is nothing strange in that. It is perfectly natural that the leadership of a state (especially a state like Russia) should require the skills acquired in an institution of power (albeit one with the disagreeable name of "obkom" or the CPSU Central Committee) rather than in a ballet school. Even though the best ballet schools, incidentally, are directed by fairly high-powered people. And they remain in charge for a long time.

Yes, in 1990 the democrats called Yeltsin "boss." Indeed, in height, breadth, bearing, voice, and conduct he is exactly like a Russian ruler. (Thus the successor's "height" is not just a joke). And the democrats then united around that "boss" — Boris Nikolayevich.

However, many people wanted him simply as a "battering ram" to beat down the communist wall and clear the way for their refined natures. Things did indeed work out well for some people. You will remember how the new wave of rallies swept a lot of flotsam and jetsam into big-time politics. People who did not know how to use a telephone properly, let alone a fax machine, not to mention the management of more complex state activity. Do you remember? I have seen these people "at work." Just as I have seen their unfortunate faxes. That really had people at the obkom scratching their heads.

But despite all that, these people still have their high opinion of themselves and remember fondly how Galina Starovoytova (on her own admission) "terrified" the senior and top officers by her image as a "defense minister in a skirt." But where is Galina Vasilyevna now? Who is going to appoint her as a minister? Perhaps only Dudayev, whom she movingly protects. But you need more than the relevant sex and a love for misty Albion to be Margaret Thatcher.

Musicologists and philologists came to power in some former Soviet republics. They came and went. Some were voted out of office, others were toppled. I am not saying that all leaders should be people with no ear or taste. It is just that any statesman (especially one of the highest rank) must understand very well what the mechanism of government is like and should not base his notion of power solely on extracts from books along the lines of "he was obsessed by a single idea [duma] with an all-consuming passion." Incidentally, many artists and singers ran for election to the present Duma but only two were elected.

Just for a joke let us imagine for a moment that the Russian President's chair is filled by an economist with a preference for the humanities supported by rabble-rousing musicologists. He makes a complete mess of things except he does it on a Russia-wide scale. At this point the previously silent regional elites harboring no special sympathies for the "center" open their mouths and the bungling president becomes even more irrelevant to them. At that point such fashionable lunacy as the "East Siberian republic" could well become a regrettable reality. There has been only one Chechnya so far — we could have 50 of them. Even the devoted musicologists will come finally to hate their beloved president. They do not need a president representing nothing but the Sadovoye Koltso [i.e. downtown Moscow].

Whichever way you look at it, Yeltsin acting in the role of the "center" knows how to find a common language with the leaders of the components of the Federation by operating the extremely subtle machinery of the redistribution of powers. He is speaking now not just as the guarantor of the Constitution (as it says in the Fundamental Law) but also as guarantor of the country's integrity largely for subjective, personal reasons.

Criticizing an incumbent president is the easiest thing in the world to do. It is very easy to build a career based on criticism. In its time literary criticism in our country has virtually overshadowed literature itself. The eternal oppositionist Yavlinskiy led his party (the only one of all the "classical democratic" structures) to the gates of the Duma precisely because he himself has virtually never been burdened with responsible work at state level. One smart journalist even had a fantasy in which Yeltsin, continuing his preelection clear-out, locks the most obvious incompetents in their high offices, and he immediately castigated him for these terrible "sins."

But Mr. Yavlinskiy himself is not as smart and sharp-witted as he was one short year ago and creates quite a sorry impression now. The "Eternal Critic" and the "Eternal Contender" has been transformed into a kind of "Eternal Student," like Petya Trofimov from [Chekhov's play] The Cherry Orchard. This character lives on an estate where he irritates his hosts, embarrasses their daughters, and teases the guests. He chants mystically that he knows to "get through" to people whereas in fact he gets in everyone's way and trips them up with his big boots.

Even the most loyal devotees of the "Yabloko leader" did their sums and with heroic insight saw that their favorite has virtually no chance of "getting through" to

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round two let alone winning the election but is stubbornly taking votes away from the hypothetical general reform (general democratic, general anti-Communist, call him what you will) candidate. And he firmly resists attempts at dissuasion.

You get the impression that the political structure with the appealing name "Yabloko" ["apple"] united a number of people with gripped by burning obsessions. Yavlinskiy's obsession is that he desperately wants to be president. Lukin's obsession is that he desperately wants to be foreign minister. There used to be a letter "B" (but like in the nursery rhyme the B has disappeared) standing for Boldyrev: I am the most honest man in the country that is why I am working now in the Control Administration, now in the Comptroller's Office, the only problem is that I am always the deputy. But there is a hope that he will finally become the real thing.

However, things aren't all gloomy. Take Yegor Timurovich. His relations with Yeltsin were constantly under strain, it seemed that they had been completely severed but it was not without reason that Yeltsin himself said: "Gaydar is simply an intelligent man." Now the leader of Russia's Democratic Choice is making timid moves toward the incumbent president. If he does this or that, we will not withhold our support from him. Gaydar understands that only Yeltsin has the power to counter the anti-reform danger.

He should also understand that his idiotic behavior and all his "ifs and buts" look ridiculous. And that the agonizing unification of Gaydar, Yavlinskiy, and the other democratic leaders is like a long-running joke.

Yegor Timurovich and Grigoriy Alekseyevich could theorize for another year about whose voters "will not support" their rival-cum-colleague "under any circumstances." That is their personal affair. But there must be no mistakes in the discussions about Yeltsin's candidacy. They should not confuse their own feelings with the decision of thousands of people. I am far from convinced that all those people who formed the Russia's Democratic Choice and Yabloko electorates in the last elections or who once held sympathies for Democratic Russia (all that remains of that party is Lev Ponomarev's office and three computers) will follow the wishes of the party leaders and their entourage and not support the president "under any circumstances." And supposing they realize that the country's prosperity and stability in the state are a higher value than the leaders' ambitions and do then support him?

In these conditions horse-trading is not only inappropriate, it is also dangerous.

In the time that remains before June 16 many party "leaders" ["vozhd"] will support Boris Yeltsin's candidacy, either reluctantly or with long-winded preambles to ease their extremely delicate consciences.

The only thing that I reject is the casuistic formula of "voting for Yeltsin as the lesser evil."

We are not choosing between a "greater" and a "lesser" evil but between the past and the future for our country. Even if 100 people were to run the question would remain the same. Everyone remembers our country's past. But the future is the future and no one, not even someone with the most powerful imagination, can tell us what it is going to be like. But the only thing that is known for certain is that Yeltsin has not revived the Gulags, he has not introduced food ration cards and coupons, he has not closed the border with an "iron curtain," he has not curtailed freedom of the press even though the press has really been gunning for him. And there are no signs that he is ever going to do any of those things.

Let us not be confused by the far-fetched arguments that our Communists are about to turn into beautiful social democrat swans. (I feel it my duty to explain that I have in mind the swan that in [Danish writer Hans Christian] Andersen's story that grows out of the ugly duckling, not General Lebed [lebed is russian for "swan"] and his brother sitting in the Duma). Zyuganov is not Kwasniewski. The difference is not only that the Polish leader did not manage to complete his university diploma whereas the Communist Party of the Russian Federation [CPRF] boss, on the contrary, is a doctor of philosophy. The difference is also one of programs, philosophies, and historical preconditions. Zyuganov dons the pale pink social-democrat jacket only when he goes abroad. That, incidentally, is a long-standing Communist habit: The best stuff goes for export. They get the Ladas [automobiles], we get the horse and cart. The bourgeoisie gets the Bolshoy Theater, our fellow countrymen get the popular entertainment shows with the "clap your hands, stamp your feet" and the "don't forget to turn off your TV sets" at 11 p.m. Have they forgotten that too?

So the Anpilovites would rather give Zyuganov a "good kicking" than give the IMF a helping hand. Furthermore, the Communists do not hide the fact that they are preparing to give the Constitution a good working over. The passion for upheaval has not been eradicated: The revolution has a beginning but it has no end.

This is boring.

All the opinion poll results suggest that the Russians rate stability highest of all. And when people say in

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those polls that a "firm hand" and a "strong individual" would be no bad thing for us, they are not dreaming of a new Stalin and they do not want a bloody dictatorship. What they want is a fundamental order, a war on crime, and "confidence in the future." Several years of huge but necessary political and economic transformations and enormous changes in all spheres of life were bound to affect the public's consciousness. Although many changes were needed not everyone had the inner reserves of strength and some people have grown tired. But the potential changes that a "drastic" new leader will begin to impose are even more terrifying.

After listening to Yeltsin's speeches Zyuganov began complaining that the president had stolen the opposition's slogans. The president has stolen nothing! On the contrary, he has restored social justice. Who else should monitor social policy if not the head of state? Or has Zyuganov taken out a copyright on the idea that "people must get their wages on time"? This is the essential point — while the opposition specializes in "slogans," the president specializes in actions.

Boris Yeltsin launched his election campaign extremely vigorously and skillfully. Take the episode of the Duma's initiative on the sharp raise in minimum pay and pensions. The president skillfully avoided the depressing choice between fueling another round of inflation and accusations of contempt for the voters' wallets. He simply forestalled the deputies by preparing the appropriate edict which should not cause serious damage to the federal and regional budgets.

The latest personnel reshuffles should be viewed in this context. The president replaced Andrey Kozyrev with Yevgeniy Primakov, a man of the old political stamp. But Russia's foreign policy will not suffer because of that. Even the "liberal" Kozyrev himself has recently been making increasingly active use of the great and powerful language of the "pro-state" lobby (I have already said that the contrast between "democracy" and "patriotism" is the biggest mistake that the new ideologists and propagandists have made). But it was precisely the "symbolic importance" of the figure of Kozyrev that prompted certain questions which were completely out of place in the election campaign. That is most probably why Yeltsin made this particular decision.

I would like to say a few words about popular and unpopular decisions. If we are living in a democratic country and the president of this country runs for a second term, should he not take the voters' opinion into account? Or do the people from Democratic Choice, Democratic Russia, and so forth have a different understanding of democracy? Let us not pander to the various minority groups and groupings, let us heed the views of what the TV political pundits like to call the broad strata of the electorate. And certainly not irritate them (with another power minister "in a skirt").

Essentially Yeltsin does not have to beat anyone in the presidential race, he has to win over the don't-knows and fight for the votes of the Russian provinces, which view all political events with a certain indifference because time does not pass as quickly out there as it does in the capitals. And extol the values of stability, honesty, economic independence, the strength of the state, and patriotism.

The interests of the provinces are close to the heart of the patriot Yeltsin, a product of the Urals who opposed the Communist outrages against all that. Whether there is going to be a mutual rapprochement 16 June depends in particular on Boris Nikolayevich's comrades in arms, whose careers were launched by him, and him alone.

Or are their memories playing tricks on them?

Russia: Party Leader Offers Conditional Support for Zyuganov

LD1103150096 Moscow Russian Television Network in Russian 1100 GMT 11 Mar 96

[From the "Vesti" newscast]

[FBIS Translated Text] The board of the Russian National Union [RUS], chaired by Sergey Baburin, announced today that the RUS will support Gennadiy Zyuganov provided he represents a wider coalition of opposition forces and not just the Communist Party. Sergey Baburin voiced also his dissatisfaction with how the broad coalition movement is being built. He said that Zyuganov is doing nothing to attract potential followers. In particular, representatives of the non-Communist opposition who, in principle, are prepared to support Zyuganov, have not yet heard of a proposal for holding consultations on the tactics of post-election activities.

[Begin Baburin recording] Indeed, these positions require consultations with allies in order to determine what the political structure is for us and how we should realistically reform bodies of executive power and relations between the executive and legislative branches of power, and so on. We have to decide on these issues now so as to avoid disagreements and misunderstandings after the opposition candidate becomes the president. [end recording]

Zyuganov's ambiguous behavior is prompting many leaders from the non-Communist opposition to consider creating a new opposition movement — the third force, which in Baburin's view could diminish Zyuganov's chances of wining in the presidential elections.

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Russia: Zyuganov Discusses CPRF's Influence in Duma

LD0903134896 Moscow Russian Television Network in Russian 0635 GMT 9 Mar 96

[Interview with Gennadiy Zyuganov, leader of the Russian Communist Party by Yelena Ozrina; from the "Parliamentary Week" program — recorded]

[[FBIS Translated Text] [Yelena Ozrina] Today the Communist Party [CPRF] holds the factions' rostrum in the parliament and its leader Gennadiy Andreyevich Zyuganov has the floor. The State Duma's second convocation has been working for two months. How would you describe the dominant party's position and achievements in legislation.

[Zyuganov] First of all our objective was to get the Duma to start work quickly and to work as hard as possible. To achieve this, we assembled faction leaders and forwarded an initiative outlining the issues on which we could agree. We then proceeded to delineate all main positions within the committees. This might not have been right. We suggested...(changes tack) Yabloko has 45 votes and they are to get a certain number of the committees according to their votes.

In the first ten days, we completely revamped the way the Duma operates. All political forces are represented within the Duma leadership and each morning they can agree on their stands and ensure more energetic legislation. Second, we prioritized bill passage, focusing on economic stabilization; the fight against crime; and social protection for our citizens.

[Ozrina] Concerning the tax code. The Duma initiated debate several times. Had this law been passed or if it has been discussed at length perhaps amendments are possible and taxes could be better levied, thereby allowing real increased revenue rather than verbal declarations?

[Zyuganov] I could not agree more. I absolutely agree with you. As early as two years ago we suggested a budget which was qualitatively different. Its main aim was to collect revenues and to define the economic strategy of the party clearly, the main — I am sorry — the economic strategy of the state and its main priorities. This was turned down. We offered it to Chernomyrdin, and it was turned down. They forwarded their own project which does not allow them (changes tack).... It is their budget that is incapable of making payments in the first months of the year. I absolutely agree with you that nobody can afford paying taxes which amount to 90-95 percent, not even the most honest man. Excuse me but these taxes are turning everyone into frauds. One cannot pay these taxes, existing on a beggar's wage. It does not allow for progressive maintenance, let alone fund and equipment renewal. On the other hand, constitutional federalism has been declared as the main principle. Eighty percent of financial resources are grabbed by Moscow who then divides the pie.

[Ozrina] You are criticizing the 1996 budget for its non-social approach despite the fact that the preamble to the budget and speeches made by representatives of the government — including the prime minister and the deputy prime minister — especially emphasized the social approach of the budget. Who is right?

[Zyuganov] Excuse me, but they can say whatever they want if it is just words. The president today spoke about the guarantees of human rights without mentioning millions of unemployed. He spoke about a lawful state without mentioning the fact that lawlessness is so widespread many people feel unsafe in their homes without metal doors and bars. You can say or write about any social approach. Nobody can survive if they are not paid wages. The government has not been paying wages for months on end. All these words are simply hot air. Just speeches, just promises. Instead of giving account for the results of their work and proposing quality solutions, they will be forced to make proposals.

[Ozrina] What will your stand be in the State Duma as far as priority laws are concerned? Some of your opponents think that you lost the game when distributing posts on the committees. In particular, the LDPR faction leader, Vladimir Zhirinovskiy, is very vocal about it. He says that you have given away the two most important committees — international affairs and the budget — to the Democrats and he sees it as your loss. Do you agree?

[Zyuganov] Vladimir Volfovich is very vocal on all issues but, as a rule, he votes according to what Boris Nikolayevich and Viktor Stepanovich tell him. You can trace it back and see. Statements do not matter here. We are backed by a dozen of the leading committees — the economic policy (changes tack) using this committee's support, we have an opportunity to prepare a qualitatively new version of the (economic) policy which will allow us to pay wages on time, to protect the elderly, to return money to the cheated investors and to do some other things. We also have the committee for high technology and conversion.

[Ozrina] Last question, something you have been asked about many times: Some people say Zyuganov looks different with different people — pensioners, workers, businessmen, intelligentsia et cetera. How justified is this opinion and how can you prove the opposite? People who say this have heard your speeches at all those meetings.

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[Zyuganov] I would ask you not to cut this statement while editing and leave it in full: Chubays has said in Davos that I say one thing in Russia and other things abroad. But he did not say: Show Zyuganov's dialogue with Yavlinskiy when almost one thousand prominent politicians, businessmen and financiers were present. Not even one phrase was broadcast. Where are these films? Ask him and relay them in your program. At least ten correspondents follow Zyuganov on his trips in the country. They all have cameras, pens, tape recorders and they record everything. If this were true, they would have not only written it down immediately, but also would have kicked off such a fuss about. He said we were offering such a policy which would bar investments from Russia. I am drawing your attention to the fact that during the four years of their policy, five billion were invested in Russia. Hungary, a smaller country, over the same period of time, has attracted thirty billion. The Shanghai zone of China where the communists are in power has attracted more foreign investments than Russia, Ukraine, Belarus and all other currently sovereign (states) taken together. Why? The best companies of Austria were involved in constructing a wonderful plant in Belgorod Region. I asked them: Why are you not investmenting? They answered: We do not if prices are going to be changed tomorrow; we do not know the rules of conduct; there is no security. Of course, nobody will come. When I was speaking in Davos, I said: We shall create conditions for you to invest your money and profit from our production. We support investments made toward future production. We made 700 outstanding new technological discoveries. We can make a breakthrough, find a shortcut instead of queing behind old technology. We can act as the Japanese did in their time. They invented new technology in steel production and overtook all other countries by 20 years in one leap. We have such an opportunity now, and, therefore, we shall encourage investments first of all in the technology of the future. This will work for our children, grandchildren and so on. Therefore, it is a lie and an attempt to diminish the potential of their opponents. I am grateful to you, and after the elections this will be followed up in my very first television presentation.

Russia: Gorbachev's Campaign Group Collects 900,000 Signatures

LD1103174796 Moscow Radiostantsiya Ekho Moskvy in Russian 1600 GMT 11 Mar 96

[FBIS Translated Text] Mikhail Gorbachev's campaign group has already collected about 900,000 signatures, its representative Anatoliy Mironyuk has told us. The group hopes to collect the required one million signatures by tomorrow evening. Mironyuk also said this does not mean that the signature lists will be immediately submitted to the Central Electoral Commission. The group would like to have a certain reserve of signatures in case some of them are rejected by the Central Electoral Commission.

Russia: Stroyev's Perceived Disdain of Democracy Criticized

MM1203104796 Moscow EKSPRESS-KHRONIKA in Russian 7 Mar 96 p 1

[Article by Emmanuil Mendelevich: "The Senate Speaker in His Own Backyard" — received via Internet]

[FBIS Translated Text] As is well known, the Russian Constitution allows the components of the federation to have their own charters, a kind of "mini-constitution." The Orel Oblast Duma has spent the last few months drawing up such a document. The result of this work was the draft document published at the beginning of December and adopted 19 January with minor amendments. Surprising as it may seem, however, the final text was not published until 2 March. However, before explaining this strange circumstance let us examine the charter and its draft version.

It assigns the most conventional name to the representative organ — it calls it the Oblast Soviet of People's Deputies. The December version proposed a variety of titles: the state council, the oblast duma, and the legislative assembly but it settled on the name which is familiar to the Communists who form the majority of the deputies.

According to the charter, "direct democracy" in the Orel region is to be ensured primarily by the existence of the institutions of the "referendum" and the "consultative referendum." The latter means a referendum "whose results are recommendatory." Admittedly, it is not explained which questions should be examined by which kind of referendum. In other words, it all depends on the authorities whether they should heed the people's opinion or not: It is up to them. On the other hand it does specify which questions should be resolved without a referendum: the adoption and amendment of the charter as well as everything pertaining to financial activity. The Orel legislators' ignorance is so great that they do not even suspect that there is experience in other countries where the population's opinion is customarily taken into account when disposing of municipal property. On the other hand, the Orel Duma members have invented something unknown in world practice or in Chapter 8 of the Constitution, which deals with local self- government — the oblast people's discussion

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[oblastnoye narodnoye obsuzhdeniye], whose sphere is not defined at all. The most interesting point is that this "right" allows proposals to be sent to the head of the administration, the Soviet, and the mass media, who are instructed to provide coverage of the course of the "people's discussion." Putting it in simple terms, this is the familiar old Soviet imitation of public opinion.

There are some other elaborate instructions. For example, Article 19 of the draft and the corresponding article of the final charter gives "people living on the oblast's territory" the right to the uninterrupted receipt of information on the situation in the oblast. This is understandable: An outside journalist can be refused information and there has long been a common language for dealing with locals — they will not say anything out of place. No Orel newspaper has even bothered to ask why the publication of the charter has been delayed so long.

The draft contained some simply comic passages. For example, the oblast soviet is instructed to ensure the "protection of the ancient home and traditional way of life of small ethnic communities." What has this got to do with monoethnic Orel? Let us not be surprised at this: Several years ago the Orel administration adopted a decree on the protection of fauna which envisaged a fine for the killing of toothed whales. No one laughed at this. Admittedly, this piece of nonsense has been dropped from the final version.

The oblast duma was elected in 1994 for a two-year term. The charter extends its term of office to 1998 without explanation. No "discussion" of this point is proposed. The duma's existence, apparently, does not count as an important question of the oblast's life.

But even a charter like this did not suit Orel governor Yegor Stroyev. The duma sent the draft to him for signature even though there is no law requiring this (including the draft itself). This is a sign from the very outset that the law is still not a law but a tacit rule. Stroyev did not sign it and this is the only reason for the delay in enacting the charter.

The governor returned the draft to the duma twice. One of his replies contained objections running to nine whole pages. What is Stroyev unhappy with? He states that the executive's independence is infringed by the soviet's proclaimed right to demand that he or any other official of the administration appear in person at a soviet session to report on individual questions. And the oblast duma agreed to this petty tyranny! This article has been removed from the final text.

Stroyev does not recognize anyone's right to monitor him. In his opinion, the paragraph in the draft charter on the head of the administration's duty to present an annual report to the oblast soviet on the oblast's socioeconomic development and the implementation of its laws contravenes Article 10 of the Constitution. But what about citizens' right to receive information if information is not even provided to deputies?

Incidentally, Article 10 of the Constitution deals with the separation of powers which means that Stroyev understands democracy to mean nothing more or less than the ability to be accountable to no one!

Stroyev is even indignant that the draft gave the oblast soviet the right to define the structure (only the structure, not the personnel) of the executive organs. He believes that this is his sole domain. Such impudence exceeded all possible bounds and the duma insisted on having its own way. This provision was included in the charter.

But if that was not bad enough Stroyev stated: "The Russian Federation Constitution gives no executive or administrative functions or powers to the administration or the head of the administration." This is a quotation, not a parody! He simply does not understand what such terms as the executive and the separation of powers mean. Yet a man with this level of political culture recently became chairman of the Federation Council! Incidentally, Stroyev did not balk at the unlawful extension of the oblast duma's term of office. The governor asserts in his reply that his objections are based on the expert analysis conducted by the President's Main Legal Administration, the Justice Ministry, and the oblast Prosecutor's Office. I have no reason to doubt this. These organs are on the same level as Stroyev and the conclusions to be drawn from that are regrettable. It is interesting, however, that Stroyev's answer to the duma does not contain either the experts' surnames, the date of the expert analysis, or even a reference to any documents, which makes it impossible to check anything. The duma members are supposed to take Stroyev's word: He is confident that no one in Orel would dare ask him for proof. And he is right.

If anyone thinks that what I have said about the level of Stroyev's political consciousness is mere hyperbole, let them look at Stroyev's own words. In a recent NEZAVISIMAYA GAZETA interview, Stroyev stated in reply to a question on the possibility of transforming the Federation Council apparatus into a self-sufficient structure: "I have enormous experience of leadership work and therefore have no misgivings." The Orel experience, as we can see, makes it possible to check out this extremely arrogant claim but the important thing is that its chairman sees the guarantee of parliament's democratic nature not in a system of laws but in himself! The frank cynicism is also remarkable: Central Committee experience as a guarantee of democracy!

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However, the upper chamber of the parliament, which Stroyev heads, is designed precisely to adopt laws. It is easy to imagine legislative work at such a level as this. But even that is not the point. What matters is the reason for this legislative tragicomedy. And it is simple: a nomenklatura man is organically unsuited to democracy. How many more times do we have to prove that?

Russia: Duma Speaker Seleznev Interviewed on Political Issues

LD1103222195 Moscow Russian Television Network in Russian 1905 GMT 11 Mar 96

[FBIS Summary] In a 50-minute interview on the "Without Retouching" program — hosted by Sergey Torchinskiy — Gennadiy Seleznev, chairman of the State Duma, answered questions from newspaper and radio journalists. Seleznev began by reiterating his well publicized view that the post of president as such is unsuitable for Russia — "I see Russia as a parliamentary republic" — and praised Sweden, which he has just visited, as an example of a parliamentary republic.

A journalist asked him to answer "yes" or "no" to the following questions: If Yeltsin wins the presidential elections, will it be a disaster for Russia? If Zyuganov wins, will it be to Russia's advantage? If Zhirinovskiy wins, will it be a sad event? Seleznev answered in the affirmative to all these questions.

Asked about his attitude towards Stalin, Seleznev said: "Stalin was one of the greatest figures of the 20th century, I agree with this view together with very many other people in the world. I don't think that we should see him as nothing but an evil genius." Seleznev condemned the repressions unleashed by Stalin but, at the same time, he said that Stalin created an economic system which "perhaps, was tough and strict but it is precisely thanks to that economic system that the Soviet Union won the Second World War."

On his attitude to Yeltsin, the Duma chairman said that "one can discuss, in fact, any issue with the president. He is open to information whether he likes what he hears or not, which is very important." In Seleznev's opinion, Yeltsin is often fed one-sided information, mostly from the right, whereas a president should be provided with more balanced information.

Seleznev complained briefly about the difficulty of introducing amendments to the current Russian constitution. He stressed the importance of freedom of the press, and pledged to stop "criminal privatization" while refraining from a general redistribution of property.

He dwelt on the situation in the Duma after the communists' success in the parliamentary elections. He noted that attitudes to communists are changing, and becoming more realistic and tolerant.

Russia: Zaveryukha Remarks on Land Decree, U.S. Poultry Imports

LD1103183396 Moscow INTERFAX in English 1711 GMT 11 Mar 96

[FBIS Transcribed Text] MOSCOW, March 11 (Interfax) — The presidential decree on the guarantees of people's constitutional rights to land will help launch the land market in Russia, Deputy Prime Minister Alexander Zaveryukha, who is responsible for the agroindustrial complex, told a press conference in Moscow Monday.

At the same time, this document will not solve all the problems in land affairs, he admitted.

The exercise of the constitutional right to land was hampered by the lack of a land code, Zaveryukha said. The previous State Duma had considered the draft document last year only in the first reading, he said. "Until it is adopted, the presidential decree will be valid to help carry out agrarian reforms in Russia without surges and upheavals," he said.

Zaveryukha doubted that the leader of the Communist Party of Russia, Gennadiy Zyuganov, could win next June's presidential elections. "But even if it happens, it will be impossible to cancel this presidential decree, because people have already received their land lots," he said.

On the subject of the suspension of poultry imports from the United States on February 15, Zaveryukha said the government did not apply any pressure on Russia's Veterinary Service which made this decision.

The licensing of poultry imports will be resumed as soon as the U.S. side complies with veterinary standards, Zaveryukha said.

Russia: Yeltsin Edict Cuts Foreign Ministry Staff

LD1203075996 Moscow ITAR-TASS in English 0745 GMT 12 Mar 96

[FBIS Transcribed Text] MOSCOW March 12 (Itar-Tass) — President Boris Yeltsin signed a decree cutting the personnel of several departments, including the foreign ministry and his own committee on information policy.

The presidential press service said on Tuesday that a limit of 2,762 employees had been set for the foreign ministry's central staff.

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The utmost of 207 staffers would be employed by the state committee for military and technical policy, while the information policy committee at the president will have 102 employees.

The decree does not specify how many people are to be dismissed in the mentioned departments.

Russia: Yeltsin Approves Program To Protect State Secrets

LD1203110696 Moscow ITAR-TASS in English 0836 GMT 12 Mar

[FBIS Transcribed Text] MOSCOW March 12 (Itar-Tass) — President Boris Yeltsin approved a two-year programme of protecting state secrets as democratic transformations in Russia "considerably expanded and eased the conditions for intelligence" in all spheres, his press service said on Tuesday.

A decree signed by the president notes that foreign states are mounting their intelligence activities in Russia and are mostly interested "in the process of Russian establishment as an independent state within the world community, its internal and foreign political guidelines, the military policy and ways of its implementation, the current economic transformations, the directions of scientific research and technical experiments, the assessment of the Russian market".

The press service said that the programme for 1996-1997 "fixes a complex of measures aimed to improve the protection of state secrets". It did not elaborate.

Russia: Yeltsin Rejects Amendments to Local Administration Bill

LD1203101596 Moscow ITAR-TASS World Service in Russian 2100 GMT 11 Mar 96

[By ITAR-TASS correspondent]

[FBIS Translated Text] Moscow, 11 Mar (ITAR-TASS) — Russian President Boris Yeltsin today rejected the federal bill "On amendments to the federal bill 'On the general principles of the organization of local self-government in the Russian Federation'".

This is stated in a letter to State Duma Chairman Gennadiy Seleznev, received at ITAR-TASS from the Russian president's press service.

The document says that on 21 December 1995 the head of state proposed as a legislative initiative draft amendments to the bill, in view of the fact that the deadlines laid down in it did not make it possible for the federal agencies of state power and the agencies of state power of the component parts of the Russian Federation to create all the necessary conditions for holding elections of agents and officials of local self-government, including ensuring the necessary legislative, material, and financial prerequisites for the effective practice of local self-government.

"However, the State Duma," the president's letter stresses, "while amending the deadlines laid down by the federal bill, did not do so sufficiently for them to form adequate local self-government."

Russia: Yeltsin Signs Edict on Tax Police Law, Criminal Code

964F1349A Moscow ROSSIYSKAYA GAZETA in Russian 29 Feb 96 p 5

["Edict of the President of the Russian Federation on Priority Measures Regarding the Implementation of the Federal Law 'On the Introduction of Changes and Additions to the Law of the Russian Federation "On Federal Tax Police Agencies" and the Code of Criminal Procedure of the RSFSR'"]

[FBIS Translated Text] In connection with the passage of the Federal Law "On the Introduction of Changes and Additions to the Law of the Russian Federation 'On the Federal Tax Police Agencies' and the Code of Criminal Procedure of the RSFSR," I resolve:

1. As of 27 December 1995, to rename the Department of the Tax Police of the Russian Federation, the tax police agencies in the component republics of the Russian Federation (departments, administrations), the tax police agencies of the krays, oblasts, of the cities of Moscow and St. Petersburg, the autonomous oblast, the autonomous okrugs (administrations and sections of the Department of the Tax Police of the Russian Federation), the tax police agencies of the rayons in the cities of Moscow and St. Petersburg, and the inter-rayon sections of administrations and sections of the Department of the Tax Police of the Russian Federation correspondingly as the Federal Tax Police Service of the Russian Federation (the FSNP of Russia), the agencies of the Federal Tax Police Service of the Russian Federation for the republics, krays, oblasts, cities of federal significance, the autonomous oblast, the autonomous okrugs (administrations, sections), the tax police agencies of the rayons in the cities of Moscow and St. Petersburg, and the inter-rayon sections of administrations and sections of the Federal Tax Police Service of the Russian Federation.

2. To establish that the Federal Tax Police Service of the Russian Federation and the agencies subordinate to it are the successors to the Tax Police Department of the Russian Federation and its agencies.

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3. To consider the officials, and also the workers without special titles, of the Department of the Tax Police of the Russian Federation, the tax police agencies in the component republics of the Russian Federation (departments, administrations), the tax police agencies of the krays, oblasts, the cities of Moscow and St. Petersburg, the autonomous oblast, the autonomous okrugs (of administrations and sections of the Department of the Tax Police of the Russian Federation), the rayon tax police agencies in the cities of Moscow and St. Petersburg, and the inter-rayon sections of administrations and sections of the Department of the Tax Police of the Russian Federation to have passed into the service (as working) correspondingly at the Federal Tax Police Service of the Russian Federation, the agencies of the Federal Tax Police Service of the Russian Federation for the republics, krays, oblasts, cities of federal significance, the autonomous oblast, the autonomous okrugs (administrations, sections), the rayon tax police agencies in the cities of Moscow and St. Petersburg, and the inter-rayon sections of administrations and sections of the Federal Tax Police Service of the Russian Federation in the positions that they occupy without their recertification and reappointment, and also without the implementation of staff and organizational measures.

4. The Government of the Russian Federation is, within a three- month period, to bring its normative acts into conformity with the Federal Law "On the Introduction of Changes and Additions to the Law of the Russian Federation 'On the Federal Tax Police Agencies' and the Code of Criminal Procedure of the RSFSR," and the provisions of the present edict.

5. In paragraph 2 of Section II of the structure of federal organs of executive power, confirmed by Edict No. 66 of the President of the Russian Federation of 10 January 1994 "On the Structure of Federal Organs of Executive Power" (SOBRANIYE AKTOV PREZIDENTA I PRAVITELSTVA ROSSIYSKOY FEDERATSII, 1994, No. 3, item 190), the words "Department of the Tax Police of the Russian Federation" are to be replaced by the words "Federal Tax Police Service of the Russian Federation."

6. A list is to be set forth of positions of the top officers in the tax police agencies of the Russian Federation and the special titles corresponding to these positions, confirmed by the Edict No. 2073 of the President of the Russian Federation of 2 December 1993 (SOBRANIYE AKTOV PREZIDENTA I PRAVITELSTVA ROSSIYSKOY FEDERATSII, 1993, No. 43, item 4763), in the wording corresponding to the addendum (Footnote 1) (Not published.)

[Signed] President of the Russian Federation B. Yeltsin

[Dated] Moscow, Kremlin, 14 February 1996
No. 197

Russia: Yeltsin Decree Gives Russians Chance To Become Landowners

LD1103171196 Moscow ITAR-TASS in English 1551 GMT 11 Mar 96

[By Aleksey Filatov]

[FBIS Transcribed Text] MOSCOW, March 11 (Itar-Tass) — President Yeltsin's decree on the implementation of the constitutional right of Russian citizens to own land, signed last week, "switches the regulation of land relationships to legal rails and gives the Russians a chance to become real landowners," Yuriy Linin, Vice-President of the Association of Peasant Husbandries (Private Farms) and Agricultural Cooperatives, said on Monday.

He noted that the Russian president had allowed in one of his 1993 decrees "the movement of land shares, which farm workers got after the reform of the collective and state farms. However, this right actually remained unimplemented due to the opposition of agrarian bureaucrats. This is why the reforms in the countryside were stalemated and recently came to a practical standstill." He said that farmers were unable to expand their lands and had to till tiny "patches." Shortage of land prevented them from effectively using their plots and employing modern machines.

The new presidential decree, Linin said, utterly changes the situation. A farmer now has the right to buy more land, for instance, a plot belonging to an aged pensioner. This can now be done by anybody who owes a private auxiliary plot or is a member of a fruit-growing or gardening cooperative, provided he is able to cultivate the additional area.

The decree affects almost 40 million Russian citizens who got land plots during the reform and also 12 million rural inhabitants who hold land shares, Linin noted.

Russia: Decree on Industrial Biotechnology Program

MM0803135396 Moscow ROSSIYSKAYA GAZETA in Russian 6 Mar 96 p 6

[Russian Federation Government Decree 209 "On the Federal Targeted Program 'Development of Industrial Biotechnology' for the years 1996 through 2000" signed by Russian Federation Government Chairman V. Chernomyrdin on 28 February 1996 — from the 'Documents' section]

[FBIS Translated Text] For the purposes of preserving and further comprehensively developing the production

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and scientific-technical potential of industrial biotechnology so as to satisfy the population's requirements for biopreparations, enhancing the efficiency of agricultural and industrial production, and also resolving ecological problems, the Russian Federation Government decrees:

1. The federal targeted program "Development of Industrial Biotechnology" for the years 1996 through 2000 (hereafter called the program), submitted by the Russian Federation Ministry of the Economy, the Russian Federation Ministry of Finance, and the Russian Federation Committee for the Chemical and Petrochemical Industry, is to be approved.

2. The Russian Federation Committee for the Chemical and Petrochemical Industry is to be approved as the program's state client.

3. The Russian Federation Ministry of the Economy is to include the program in the list of federal targeted programs to be adopted for funding out of the federal budget in 1996.

4. The Russian Federation Ministry of the Economy, the Russian Federation Ministry of Finance, and the Russian Federation Ministry of Science and Technology Policy are to make provision for the program's targeted funding with annual specification of the amounts of appropriations allocated.

[Signed] V. Chernomyrdin, chairman of the Russian Federation Government

[Dated] 28 February 1996, Moscow
No. 209

Russia: Decree on Wage Supplements for Medical Personnel

MM0803144396 Moscow ROSSIYSKAYA GAZETA in Russian 7 Mar 96 Weekend Edition p 3

[Russian Federation Government Decree No. 213 "On Wage Supplements for Length of Unbroken Service for Medical Personnel Holding More Than One Permanent Post in Organizations Providing Health Care and Social Protection for the Population" signed by Chairman of the Russian Federation Government V. Chernomyrdin on 28 February 1996]

[FBIS Translated Text] In order to improve the wages of people who work in organizations providing health care and social protection for the population and thereby secure skilled cadres, the Russian Federation Government decrees the following:

1. As of 1 March 1996, to establish supplements to the official rate of pay (tariff rate) of medical personnel holding more than one permanent post in organizations providing health care and social protection for the population and financed by the federal budget; these supplements shall be for length of unbroken service within the procedure and on the terms stipulated for the posts in question.

The payment of these supplements must stay within the limits of the sum allocated from the federal budget to the appropriate ministries, departments, and organizations for labor remuneration.

2. With regard to point 1 of this decree, supplements for medical personnel in organizations providing health care and social protection for the population and financed by the budgets of components of the Russian Federation will be set independently by the components of the Russian Federation concerned by using funds taken from the aforementioned budgets.

[Signed] V. Chernomyrdin, chairman of the Russian Federation Government

[Dated] 28 February 1996, Moscow
No. 213

Military & Nuclear Issues

Russia: Defense Ministry Warns Against 'Destabilization'

LD1103142096 Moscow ITAR-TASS World Service in Russian 1331 GMT 11 Mar 96

[By ITAR-TASS correspondent Anatoliy Yurkin]

[FBIS Translated Text] Moscow, 11 Mar (Itar-Tass) — The collegium of the Russian Defense Ministry sat today in Moscow. It sent to the mass media a statement, which reads as follows:

"Criticism of the armed forces and the Defense Ministry leadership has recently intensified. Deliberately false material is being distributed, accusing the armed forces of being incapable and discrediting them, including on issues of a Chechnya peace settlement. Rumors are circulating of the defense minister's resignation, and they are viewed by army and naval personnel in the most negative light. Such activities benefit certain forces involved in the preelection campaign.

"Because of this, the Defense Ministry Collegium considers it necessary to announce that the army should remain the guarantor of stability in society and the guarantor of security of the state and its national interests, despite any possible method and form of political campaigning.

"The Defense Ministry Collegium gives notice to all in politics and the mass media of the impermissibility

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of destabilization of the armed forces and any type of speculation about the senior officials of the Defense Ministry and about army personnel."

Russia: Doubt Cast on Defense Ministry Support for Grachev

LD1203143896 Moscow INFORMATSIONNOYE AGENTSTVO EKHO MOSKVY in Russian 1300 GMT 12 Mar 96

[FBIS Translated Text] The Ekho Moskvy radio station has learned from well-informed sources in the General Staff that the Defense Ministry collegium did not adopt any statement on 11 March 1996 in connection with the criticism of Pavel Grachev, and no sitting of the collegium took place.

An alleged statement by the Defense Ministry collegium, published in NEZAVISIMAYA GAZETA on 12 March 1996, states that rumors about the resignation of Russian Defense Minister Pavel Grachev "are being given an adverse reception amongst the personnel of the army and fleet" and "are to the advantage of certain forces taking part in the election struggle."

According to the source in the General Staff, the Defense Ministry collegium draft statement was drawn up by Pavel Grachev's aides, and only Petr Deynekin, Commander in Chief of the Air Force, proposed adopting it. The suggestion aroused no enthusiasm among the other collegium members.

It emerged at the same time that Pavel Grachev's aides have organized a flood of telegrams from the troops in support of Grachev, as has already been done on repeated occasions in similar situations.

Russia: Commentary Addresses Grachev's Rumored Dismissal

MK1203110496 Moscow KOMMERSANT-DAILY in Russian 12 Mar 96 p 3

[Report by Ilya Bulavinov: "Battle Is On Again..."]

[FBIS Translated Excerpt] "What is going on down there?!" was the question your KOMMERSANT-DAILY correspondent put yesterday to at least 10 persons by using telephone numbers beginning with 293 and 296 (Defense Ministry and General Staff central apparatus), having in mind the unprecedented stream of forecasts in the media on Pavel Grachev's imminent dismissal that flowed in late last week (and reached its high point yesterday in the wake of an ITAR-TASS commentary). "The devil knows. It's a complete nightmare," was the most typical answer of military people. [passage omitted]

How probable is Grachev's dismissal? Most of your KOMMERSANT-DAILY correspondent's interviewees (more than usually restrained in their assessments) agreed that it was quite likely, but that it would hardly happen before April. Curiously, none of them was enthusiastic about it — even those who in principle can count on rather attractive positions should Grachev and those closest to him go. Such a position is quite explainable: Even those whose careers do not directly depend on the minister's persona fear that, should the supreme commander be replaced in June, they would be in one way or other discredited by the very fact that they held elevated positions "under Yeltsin." "It comes at such a wrong time! We thought we only had to hold out for a bit longer," one of them grieved.

Incidentally, even if Grachev's dismissal proves "popular" with the bulk of the voters, it will prove to be a mixed blessing for the military. On one hand, many believe that thereby the president would demonstrate to the military people his determination to put right the existing situation, while the coming of a new minister might lend optimism to officer voters. It is not to be forgotten, however, that virtually all the command personnel of the army (including the commanders of military districts and combined units, on whom much depends on the ground) are "attached" to Grachev in one way or another and that they may take most painfully the coming of a new minister. Finally, one should not forget that many officers indeed interpret accusations against Grachev (including "Chechnya-related" ones) as attacks against the military as a whole.

In a private conversation with your KOMMERSANT-DAILY correspondent late last year, Grachev voiced the opinion that "everything should be normal until the presidential election." Today all indications seem to be that the minister was mistaken. Yet Grachev is not someone who surrenders without a fight.

Russia: Reports of Grachev's Possible Removal 'Accurate'

LD1103182196 Moscow INTERFAX in English 1711 GMT 11 Mar 96

[FBIS Transcribed Text] MOSCOW, March 11 (Interfax) — Communist Viktor Ilyukhin, head of the Russian parliament's Security Committee, considers the media reports of the possible removal of Defense Minister Pavel Grachev as accurate.

This would be a "fairly expected" step, fitting well with President Boris Yeltsin's "quite predictable" recent cabinet politics, Ilyukhin told Interfax in a Monday interview.

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He explained Yeltsin's recent staff moves as attempts to raise his "extremely low" rating before the June elections.

With these "populist measures," said Ilyukhin, the president is following a "very clear line: everyone except him is guilty, even those closest to him."

The possible removal of Grachev may also be connected with the minister's role in the "war in Chechnya, which is despised by the people."

Russia: Paratroops To Be Upgraded in Course of Reform

MM1103161596 Moscow ROSSIYSKAYA GAZETA in Russian 12 Mar 96 p 2

[Report by Vladimir Klimov: "New Wings for 'Airborne' Troops"]

[FBIS Translated Text] Of late there have been reports in the press that Russia's Airborne Troops might soon cease to exist. Fortunately this proved to be an exaggeration, to put it mildly. The "airborne" troops will become an even more mobile and powerful force in the future.

What was the source of the cock-and-bull story about the disintegration of the Airborne Troops? Someone rushed to draw that conclusion as a result of the defense minister's transferring four airborne brigades to military districts.

However, it is clear that the Airborne Troops can be said to have been and remain the most important troops in the current short-lived local wars. Their motto is "From the skies into battle!" They are mobile and fast. No self-respecting army in the world would abandon the use of airborne troops.

So, why then have four brigades been moved? According to Colonel General Yevgeniy Podkolzin, commander of the Airborne Troops, their bases were too far from Airborne headquarters, which naturally made their operational use difficult. The brigades will now come under the direct jurisdiction of district troop command and perform their territorial tasks. So the districts now have rapid-reaction forces, so to speak.

These four brigades will not be outcasts in the Airborne Troops. The Airborne leadership will help them with special training, provide them with an educational and material base, and supply them with equipment and special gear.

However, there is something significant about the four brigades' move: This marks a new phase in the life of the "airborne" troops. I was told at Airborne headquarters that these troops are faced with major reorganization in order to boost their combat readiness.

What is the nature of this reorganization? Airborne large formations and units will have their own antiaircraft defense systems and artillery and will be given tank subunits. In short, large Airborne formations are to be reinforced as much as is necessary in order to perform their missions effectively in local operations.

However, the reorganization will not only affect the troops themselves. The organizational-staff structure of large formations and units is also to be qualitatively improved.

The point is that each Airborne unit and large formation is designed to conduct operations in a specific theater of military operations. Each one will fight its own enemy, if necessary. Thus, Airborne division, brigade, and regiment staffs must match their combat function and not be formed in accordance with a common rule. They will, so to speak, have an individual structure.

I believe that the reorganization of the Airborne Troops can be seen as one of the elements of military reform. Col. Gen. Yevgeniy Podkolzin has a clear plan for the reform of the Airborne Troops, which has been drawn up with an eye to world experience. The Airborne Troop commander will be discussing this plan with the defense minister in the near future.

New wings are being forged for the "Airborne" troops. The kind needed for victory.

Russia: Conference Examines Privatization of Defense Industry

LD1103215596 Moscow Radio Rossii Network in Russian 1900 GMT 11 Mar 96

[FBIS Translated Text] A conference on the problems of privatizing the defense complex enterprises was held in the Russian government on Monday. Our correspondent Regina Lukashina reports:

[Lukashina] The sitting was held behind closed doors. After it ended, Yuriy Koptev, head of the Russian Space Agency, explained to journalists that a special interdepartmental commission will be set up in the very near future. It will examine possible ways of privatizing the defense complex enterprises and will define the main rules of this process, in particular the ones on the participation of foreign investors in order not to lose control over strategic industries.

Yuriy Koptev said that the Russian Space Agency will practically remain unaffected by this. Shares have been issued at only two enterprises. In particular, 34 percent of the shares of the Energiya scientific and

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production association are kept in state ownership. The head of the Russian Space Agency stressed that removal from state ownership makes them attractive when implementing international projects and promotes simplified understanding with leading world enterprises in this sphere such as (?Boeing), but the majority of the enterprises, Yuriy Koptev said, do not show any special enthusiasm for it, they would like to remain in state ownership with guarantees of social protection. The trouble with the enterprises of the space industry lies in the fact that they have a single purpose and were set up to carry out particular tasks. None of them has any profound diversification. All the difficulties lie in the fact that the staff levels should be preserved while orders for their goods have fallen by five to ten times.

Russia: Ministry Denies Improper Storage of Radioactive Materials

LD1103160596 Moscow ITAR-TASS in English 1342 GMT 11 Mar 96

[By Veronika Romanenkova]

[FBIS Transcribed Text] MOSCOW, March 11 (Itar-Tass) — The Russian Ministry of Nuclear Power Engineering denied on Monday media reports about improper storage of radioactive materials in the town of Lytkarino, Moscow region.

Ministry spokesman Georgiy Kaurov explained to Itar-Tass that Lytkarino is home to the ministry's research institute which replaces used radioactive elements in medical instruments with new ones.

The main source of energy used in such instruments is cobalt-60 which is short-lived and needs to be replaced after a certain period of time.

The institute's warehouse has more such elements in stock now than it usually does because the access road to the warehouse is being repaired, making it impossible to take the elements away, Kaurov said.

"All work is being conducted in strict compliance with the established rules. The level of radioactivity is being constantly monitored and remains normal," he said.

Regional Affairs

Russia: Interior Minister Visits N. Ossetian President

LD1103175696 Moscow Radio Rossii Network in Russian 1700 GMT 11 Mar 96

[FBIS Translated Text] Russian Interior Minister Anatoliy Kulikov has arrived on a visit to Vladikavkaz. The situation in the North Caucasus and in the Ossetian-Ingush conflict zone was the main topic discussed by Kulikov with North Ossetian President Akhsarbek Galazov. The aim of the Russian minister's visit to North Ossetia is to familiarize himself with the operational situation in the region, the work of the Republic's law and order bodies, and their cooperation with subunits of the Russian Interior Ministry's interior troops.

Russia: Probe Completed Into Udmurtia Minister's Murder

LD1103183296 Moscow INTERFAX in English 1711 GMT 11 Mar 96

[FBIS Transcribed Text] MOSCOW, March 11 (INTERFAX) - The Russian Prosecutor General's Office has completed its investigation of the murder of the first deputy interior minister of Udmurtia, an internal republic within Russia, a senior prosecution officer told Interfax Monday.

Nikolay Perevoschikov, his wife, son and daughter were shot in their own apartment on the night of October 9, 1994.

Criminal proceedings have been instituted against 17 members of a criminal gang operating in Udmurtia, including 11 already in custody. Eight criminals, including three directly involved in the murder, will be tried on this case.

The investigation disclosed another four murders and many other grave crimes committed by these criminals.

According to one of the versions, Perevoschikov had information about the group that could substantially help to eliminate it. In addition, the criminals tried to kill Perevoschikov's son-in-law, who had connections in the gang.

Russia: Mass Rally Threatens To Disrupt Far Eastern Railways

LD1203072196 Moscow ITAR-TASS in English 0714 GMT 12 Mar 96

[By Eduard Popov]

[FBIS Transcribed Text] VLADIVOSTOK, March 12 (ITAR-TASS) — A mass rally of protest threatening to halt traffic in the Vladivostok-Nakhodka section of the Far Eastern railways has been staged today by residents of the town of Bolshoi Kamen in Primorskiy Krai.

The protest action is being held to make the Russian government pay wages which have been five month overdue and provide the "Zvezda", "Vostok" and the Pacific "Era" state enterprises with state orders. The outstanding debt of the Russian government to the defence industry exceeds 2.3 trillion Roubles.

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The workers' demands, who among other things have asked that a government commission be sent to Bolshoi Kamen, were first put forward last October. The workers intended to blockade the railways as an extreme measure and the authorities had been warned about the railway blockade beforehand.

Managers of the Vladivostok railways have twice made public statements to the regional authorities and law enforcement structures asking to prevent "similar methods" of resolving economic issues.

Russia: Missile Exercise Held in Far East District

MM1203125496 Moscow KRASNAYA ZVEZDA in Russian 12 Mar 96 p 1

[Report by Valeriy Usoltsev: "Far East Servicemen Deal Rebuff"]

[FBIS Translated Text] Exercises under the leadership of Lieutenant General Leonid Shivdyakov, chief of the Far East Military District missile forces and artillery, have been completed at the Far East Military District. They were conducted simultaneously in three regions of the oblast from which a group missile strike was delivered against targets over 200 km from the launch site.

All the "Scuds" reached their targets. The subordinates of Colonel Viktor Koshenev, Lieutenant Colonel Oleg Shlykov, Major Sergey Kravchenko, and Captains Sergey Belyakov and Nikolay Biryukov distinguished themselves.

Russia: Dagestan Gas Pipeline Accident Due to 'Negligence'

LD1103130896 Moscow Radio Rossii Network in Russian 1200 GMT 11 Mar 96

[FBIS Translated Text] The cause of yesterday's accident on the Mozdok-Kazimagomed gas pipeline in Dagestan was negligence and run-down equipment. A RIA Novosti correspondent was told this at the central control directorate of the Gazprom joint-stock company.

Economic Issues

Russia: Land Ownership Edict, 'Chicken War' Viewed

MM1203102796 Moscow SELSKAYA ZHIZN in Russian 12 Mar 96 p 1

[Article by Marat Glinka: "Communists To Blame Again?"]

[FBIS Translated Excerpt] The past week has been rich in events. There has been the flare-up of fighting in Chechnya and the numerous gatherings of the democrats anxious to create a single anticommunist front and the success, albeit a small one, for the CPRF [Communist Party of the Russian Federation] which was the first to register Gennadiy Zyuganov as a presidential candidate. From all the multiplicity of subjects we have chosen two which most affect the peasants' interests.

Last Thursday the mass media reported that the president had acted on his threat and had signed an edict on implementing citizens' constitutional rights to land. [passage omitted]

The land code is not being adopted, Aleksey Chernyshev, chairman of the State Duma agrarian committee, explained, because of the position of those "who want to live by edicts and decrees." These are primarily the radical-democrats and Western competitors of Russian agricultural producers eager to reach the Russian market. They are getting powerful support in our country. That is shown by the story of "Bush's chicken legs," already familiar to readers (SELSKAYA ZHIZN 2 March). Government Deputy Chairman Aleksandr Zaveryukha only had to state that in defending Russian consumers against the dispatch of unsuitable chicken to the country, the veterinary service "will behave as it should behave, that is it will perform its duty and stand guard over the quality of food products" for a bellow to ensue from Oleg Soskovets who is being strenuously predicted by the democratic press as Chernomyrdin's successor. And Yevgeniy Kiselev, presenter of the NTV television program "Itogi," tried to view the "chicken war" in the "pre-election context." He said that chicken legs are food for poor people, they are eaten mainly by voters who sympathize with the Communist Party and by floating voters. But no one in the government has thought of this "if, of course, they are playing for the same team." And so that no one should have any doubts left as to what he was talking about he added: The above-mentioned Zaveryukha is not a member of the party of power but of the Agrarian Party, which sympathizes with Zyuganov.

So that U.S. Vice President Albert Gore, to threatened punitive measures in his letter to Viktor Chernomyrdin — the freezing of export and import loans and credits, the suspension of all American aid programs, and a review of support for IMF decisions to earmark $10 billion to Russia — has a powerful fifth column in the rear of the Russian economy. And the Agrarian Party members' warnings of the threat of losing food independence seem to be starting to come true.

The president nonetheless signed the "redistribution" edict. The experts' suggestion, voiced back at the start of last week, that millions of additional votes at the June elections could stifle the voice of reason has come true.

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Vladimir Bashmachnikov, president of the Association of Russian Peasant (Private) Farms and Agricultural Cooperatives, promised Boris Yeltsin the votes of peasant individual farmers at the June elections. But will the peasant themselves agree? They include thousands of private farmers who were ruined last year. They include the leaders of peasant farms who are quite unable to finish constructing their houses or to acquire the equipment, seeds, and fertilizers they need. Back in August last year the Ministry of Agricultural and Food and the Russian Federation Committee for Machine Building agreed on volumes of deliveries of machinery and equipment to supplement and update the machinery pool on private and peasant farms without their own facilities. Some 8 trillion rubles are needed for the purpose. Where are they?

Voucher privatization of the wealth accumulated by the people has already shown very graphically (thanks to Chubays) in whose hands this wealth is ending up. All the consequences of the voucherization of the land will become clear far earlier.

Russia: Citizens Advised Not To Exchange $100 Bills

MM1203122696 Moscow KOMSOMOLSKAYA PRAVDA in Russian 12 Mar 96 p 1

[Report by Sergey Ponomarev: "New Dollars: A Start"]

[FBIS Translated Text] The date that many Russian citizens have been awaiting impatiently and anxiously has at last been announced. At a briefing at the U.S. Embassy on Tuesday William C. Murden, financial attache and official representative of the U.S. Treasury Department, confirmed a report received from Washington: The new-design 100-dollar bill comes into circulation 25 March. This means that a day or two after that date the improved "100's" may appear in Russia.

The mechanism for introducing the bills is as follows. First, a number of American and international banks will deliver dollars of the new series to approximately 80 commercial banks in Russia. They, in turn, will distribute them among 800 banks entitled to buy and sell foreign currency and more than 11,000 exchange centers.

Incidentally, outside the United States, Russia is the biggest holder of cash dollars. At the moment, according to various estimates, its population holds between $15 billion and $20 billion, and 80 percent of the sum is in 100-dollar bills. Let us imagine the improbable: that in the first few days, in a country that has learned from the bitter experience of Russia's own monetary reforms and exchanges cum confiscations of various bank notes, panic breaks out and holders of old bank notes all rush off to the exchanges to get rid of them.... Will there be enough new ones, in that event?

W. Murden hurries to reassure Russians that from September of last year through February of this year, the Bureau of Engraving and Printing under the U.S. Treasury Department (the equivalent of our Goznak [Main Administration for Production of State Bank Notes, Coins, and Medals]) produced new bank notes totaling $60 billion. That is more than enough to meet such demand.

In fact, it is not a matter of an exchange of money in the traditional sense. So do not be in a hurry to exchange "the devil you know for the devil you don't." First because the banks will certainly make you pay commission, however minimal, for the transaction. And most importantly, the exchange is absolutely pointless.

Russia: Flight of Capital Termed 'National Disaster'

MM1103160696 Moscow IZVESTIYA in Russian 6 Mar 96 p 1

[Unattributed report "based on the findings of the Russian Business Roundtable Center for Comprehensive Social Research and Marketing": "$50 Billion Leaves Russia Illegally Each Year"]

[FBIS Translated Text] According to expert assessment, Russia's foreign assets are estimated to be worth approximately $700 billion, of which $300 billion is in property, $100 billion is in debts owed by foreign states, and another $300 billion is in illegally exported currency, assets, and resources.

Recent years have seen Russian capital fleeing abroad on a scale unprecedented since the Civil War of 1918.

The Causes and Conditions of the Flight

The flight of capital began back in the mid-fifties. The rapid expansion of foreign economic links, the intensive business and personal contacts of Soviet organizations and citizens, and the birth of the "shadow economy," the bureaucratic bourgeoisie, and the mafia during the time of Khrushchev and Brezhnev contributed to the formation of illegal fortunes and the export of capital.

The West has long logged the opening of secret numbered accounts in the banks of Switzerland and other countries and the acquisition of property first by Soviet citizens and then by Russian citizens.

There are several basic reasons which have made the large-scale exodus of capital possible.

First and foremost, there is the unprotected border. The new borders with the former Union republics — the

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most vulnerable to smuggling operations — account for 11,792 of the 60,932 km of the Russian border.

Only one percent of foreign trade shipments, which is one-quarter of the world average, undergoes customs examination today. Up to 70 percent of air-freighted goods cross the customs border without passing through a checkpoint.

Currency control is in no better state. New currency control regulations governing the export of goods were introduced only in 1994. Since the enactment of the relevant law and other normative acts in the first half of 1994 export transactions worth approximately $36 billion have been subjected to checks. Nonpayments have amounted to $2.2 billion. Proceedings have been instituted in only 200 of the approximately 8,000 identified cases of the nonreturn of export earnings.

In the opinion of customs specialists, it is possible to recover around one-third of the unreturned export earnings. In 1995 the control agency was already working flat out and had handled contracts worth $73 billion. By the end of the year around $2 billion had not been returned to the country.

The introduction of currency control over import and barter deals came next, followed by the introduction of control over the export of capital, although the resolution of the latter problem was actually long overdue. The bulk of Russian foreign investment in the nineties has been through the illegal export of capital — without licenses, documentation, proper processing, or the payment of taxes and duties.

Thus in all the basic areas and levels of control over the export of capital there remain large gaps through which Russian resources in the shape of money and commodities illegally escape abroad.

Old and New Ways of Transferring Capital

Russian exporters (both state and private) long ago mastered the art of illegally concealing export earnings by substantially understating the contract prices for export goods (as against their real prices) and have made extensive use of it. The difference is salted away abroad and divided up between the Russian and foreign partners — either by private agreement or by so-called "side" contracts. The scope for exploitation here is considerably enhanced if the Russian exporter has an offshore or joint company abroad.

According to the Central Bank of Russia's estimate, 70 percent of export earnings were not returned in 1992, 30-40 percent in 1993, and around 12 percent in 1994.

The export of goods for the temporary storage and processing of raw materials abroad is extensively practiced. Large consignments of basically strategic goods are exported without the registration of export contracts and are then are sold abroad in breach of undertakings in respect of temporary storage and processing.

The padding of contract prices (as against the real prices) for imported goods and services is the reverse image of that method. Such scams are not easy to detect in practice, particularly when unquoted and nonstandard commodities in general are the object of the deal and the partners enjoy each other's trust.

Prepayment in freely convertible currency for goods, services, and intellectual property which are not actually supplied to Russia (so-called "paper imports") is an extreme version of this scam. Another variation on this involves advance payments on import contracts and relevant insurance which are then canceled and not fulfilled.

The scale of such deals can be judged by just a single example. Officially registered imports came to $27 billion in 1993, with average import prices rising by 60 percent over the year. According to the customs statistics of Russia's foreign partners, the actual payments during that year were $6 billion higher than those registered by the Russian Customs Service.

"Paper imports" into Russia in the guise of information, marketing, consultancy, commission, and other services as well as the transfer of "intellectual" property to our country have been organized via trusted foreign partners and numerous Russian offshore companies abroad (and there are more than 60,000 of them already).

Around $500 million were transferred each month under bogus import contracts in 1994.

Noncurrency settlements in the context of commodity exchange (barter, clearing, crossborder, parallel, and offset deals) without the use of freely convertible currency have favored the exodus of capital. These account for approximately 60 percent of Russia's foreign trade turnover. Commodity exchange deals are usually associated with a dramatic deviation of contract prices from average world prices.

According to Russian Customs Committee estimates, the export component of barter deals exceeds the import component by a factor of six in certain cases. Many cases have been recorded where the value of Russian oil exports on barter terms has been more than five times that of the commodities supplied in exchange by their foreign partners.

"Shuttle" trade has become another channel for the exodus of capital. The official volume of goods imported via this channel constitutes 50 percent of the value of

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Russian imports. Russian customs officials daily thwart numerous attempts by "shuttle operators" to export Russian and foreign currency, gold, silver, precious stones, jewelry, and works of art. No one knows how many such attempts are successful; on the other hand, it is known that more than 30 million "shuttle operators" cross Russia's borders in both directions each year.

The smuggling of currency, valuables, antiques, and now weapons, combat equipment, munitions, nonferrous and rare-earth metals, oil, and petroleum products, gas, oil, coal, rolled metal, construction materials, furs, narcotics, alcoholic drinks, and food has flourished.

The smuggling of goods out of the country is recorded virtually along the whole length of Russia's land, sea, and air borders, but is particularly active on the borders with former Union republics. This business is well organized. Numerous mafia groups, state and private commodity producers and participants in foreign economic activity, commercial brokers, guides, "shuttle traders," and the staff of the transport service and, unfortunately, the customs service too are part of its structure.

World practice shows that even when you have a stable working environment the customs services only manage to foil around 10 percent of smuggling operations. The Russian border troops and customs officials manage to foil no more than seven-eight percent. The plundering of resources has become a national disaster.

To this "fine array" you have to add: 1) abuses involving Western financial aid — Swiss experts notably claim that roughly one-third of it has been salted away abroad; 2) lack of clarity regarding the repayment of foreign states' debts to Russia — they have allegedly been reduced by 40 billion, but there is no official report regarding the receipt and utilization of the money; and 3) the sale of currency in the internal market through exchanges — and again according to expert estimates, around one-third of freely convertible currency sold on the exchanges has been paid for with "dirty" money obtained by speculative banking deals involving letters of advice which then, after conversion, has gone abroad.

The Scale of the Flight of Capital

How much Russian capital has been shifted out of the country, then? The numerous estimates by representatives of the Central Bank, the Ministry of Foreign Economic Relations, the State Customs Committee, the Federal Security Service, and other departments are highly contradictory and are, as a rule, understatements. Corporate interest and a desire to avoid official responsibility play a not inconsiderable role here.

For example, according to Ministry of Foreign Economic Relations estimates, the illegal flight of capital from Russia amounted to $500 million in 1990, $1.5 billion in 1991, and $4 billion in 1992, which are rejected by numerous estimates made by Russian and foreign experts.

Analysis of the aforementioned and other factors makes it possible to claim that the real scale of the flight of Russian capital is considerably higher than the traditional assessments.

The figures come out as follows: $20 billion in 1990; $50 billion in 1991; $60 billion in 1992; $40 billion in 1993; and $50 billion in 1994. Of course, even this estimate is approximate and needs further amplification. However, the evaluation methodology produces an average annual "exodus" of $44 billion during the period 1990-1994.

Thus the total sum of Russian capital "fleeing" abroad could exceed $300 billion. The rational solution of the problem of the flight of capital figures as of the key tasks of foreign and domestic economic policy.

Russia: Deputy Minister Promises Wages Arrears Repayment

MM1203111296 Moscow SELSKAYA ZHIZN in Russian 12 Mar 96 p 2

[Report by Yuriy Savin: "Time To Go to the Cash Office? Wait!"]

[FBIS Translated Text] That is the conclusion to which we are impelled by the press conference held in Moscow by Vladimir Petrov, first deputy chief of the Russian Federation Ministry of Finances, devoted to the prospects of eliminating state wages arrears. The majority of Russians will apparently get the opportunity to sign on at the pay lists only in early April. Let us recall that initially the president promised to pay off the arrears by 1 March.

According to Vladimir Petrov, in February the total wages arrears reached 23 trillion rubles [R] and of these R12.8 trillion were to institutions and organizations in the budget-funded sphere. Here the federal budget has arrears of R7.9 trillion and local budgets of R4.7 trillion. To repay the arrears and to settle accounts with budget-funded enterprises for current wages and to make other urgent expenditures an enormous sum will be required in the immediate future — about R30 trillion.

Where will this money come from? They hope to take two thirds of the sum by toughening the tax collection system. There has been a new promise to put pressure on the several dozen very large firms

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and a number of banks which have long been in no hurry to settle accounts with the budget. Appropriations for investments, capital repairs, and the purchase of equipment are being cut back. The Ministry of Finances is in fact thinking of borrowing trillions of rubles at a substantial interest rate from commercial structures — by selling state securities. Going from an old debt to a new one, as the saying goes.

It is by this emergency method, essentially at the expense of the future. that the authorities are nonetheless promising to hand out today what was earned by people several months ago but has been hanging around somewhere in the name of achieving at least a semblance of stabilization.

For instance, wages arrears to rural inhabitants are among the largest. What special income to they have in winter? And the agro- industrial complex workers will hardly agree with the opinion of the deputy minister who believes that in March the countryside does not have such a great need to spend money and the measures the government is taking, including measures to defer payments on commodity credit, have improved the rural commodity producers' financial position.

But for some reason we cannot hear our readers saying that they have felt this "improvement" in the countryside. But we so want the cash offices to open on the collective and state farms, in the joint-stock companies and partnerships and people finally to receive their hard-earned wages. Even if they have appeared only because the authorities remembered the approaching date of the Russian presidential elections.

Russia: Currency Band Blamed for Fueling Inflation, Economic Crises

MM1103143596 Moscow FINANSOVYYE IZVESTIYA in Russian 5 Mar 96 p vii

[Report by Aleksandr Smirnov: "Currency Band Does Not Solve the Problems of the Economy"]

[FBIS Translated Text] The floating exchange rate system came into being in Russia at the beginning of the economic reform in January 1992. It was planned to thus control the behavior of the economy via the value of the national currency. Then, at the beginning of July 1995, the government introduced the soft pegging of the exchange rate by means of a currency band within the range of 4,300-4,900 rubles [R] to the dollar. For the next six months the limits were set at the level of R4,550-5,150 to the dollar, that is, there was a 5.8-percent shift.

The experience of using a floating exchange rate exposed a number of negative effects which have influenced Russia's economy.

First. The floating rate is too unstable. The value of the ruble began to be determined by market forces — supply and demand - - which reflected speculative reasons more than the true value.

Second. The current system is inclined to result in financial and economic crises, such as the ones the country encountered in October 1994 and August 1995.

Third. The system in question has not given the government and the Central Bank greater autonomy in policy. The changes in the exchange rate had such all-embracing effects that the Central Bank was forced to intervene to a considerable degree in the behavior of the currency market. Thus, the floating rate increases uncertainty in the economy without giving real freedom to macroeconomic policy.

Fourth. The government has plunged into the vicious circle of indexation of the minimum level of wages and pensions. Indexation is a mechanism which creates and preserves inertia. Applying indexation for six months is a key step in triggering a new spiral of inflation.

Fifth. The Central Bank of Russia has in actual fact pinned the ruble to the dollar, and is accumulating dollars as an international reserve. Essentially, the dollar has become a measure of the value of the Russian national currency, that is, there has been a movement away from the national monetary base toward a dollar base, which increases the probability of inflationary expectations.

Thus the currency band, which was designed to be an instrument for stabilizing the ruble and reducing the rate of inflation, is not eradicating the problems but merely deferring them. The system in use is proving its own ineffectiveness. In the seven months the band has been in use the average level of inflation has constituted 4.4 percent (see table). By the end of the year unemployment had reached 8.2 percent and wage arrears R20 trillion. The fall in GDP constituted four percent. Alarming symptoms were displayed in January 1996, when the fall in GDP constituted 16 percent, inflation stood at 4.1 percent, and budget revenue was R15 trillion instead of the planned R30 trillion. Furthermore, the currency band influenced the reduction in export growth rates in 1995.

With this exchange rate system it has not proved possible over the seven months to achieve the desired level of inflation (two percent a month), halt the fall in GDP and the rise in unemployment, or make the investment

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climate attractive. This system is not posing the fundamental task of transferring to the external convertibility of the ruble. In this connection we must radically change the strategy of stabilization of the national currency with the aim of restoring to the ruble its function as a measure of value, transferring to external convertibility, and withdrawing foreign currency from internal circulation. The main thing is to achieve the implementation of an independent national monetary policy.

Dynamics of Inflation Level and Ruble/Dollar Rate

Month	06/95	07/95	08/95	09/95	10/95	11/95	12/95	01/96
Inflation	6.7	5.4	4.6	4.5	4.7	4.5	3.2	4.1
Exchange Rate	-7.6	-3.8	0.95	1.4	0.0	1.8	1.3	2.0

Seven-Month Average

Inflation	4.4
Exchange Rate	0.5

Source: Russian State Committee for Statistics

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International Affairs

Ukraine: Moroz Seeks Greater Role for OSCE in Europe

WS1203121196 Kiev INTELNEWS in English 0223 GMT 12 Mar 96

[FBIS Transcribed Text] Kiev, March 10 — Belgian officials met Monday with Parliament Speaker Oleksandr Moroz, who indicated a necessity to increase the role of the Organization on Security and Cooperation in Europe (OSCE) in European security system.

"OSCE role is exceptional, and it is higher of other European structures," said Moroz.

The Belgian delegation includes members of the Belgian Federal Legislative Assembly headed by Senate Speaker Frank Swaelen and House of Representatives Speaker Raymond Lomgendris. The visit includes meetings with Prime Minister Yevhen Marchuk and Foreign Affairs Minister Hennadiy Udovenko as well as at Parliament's committees.

Ukraine: CIS Customs Union 'Runs Counter to Ukrainian Interests'

WS1203114596 Kiev INTELNEWS in English 0223 GMT 12 Mar 96

[FBIS Transcribed Text] Kiev, March 10 — Joining the Customs Union of the Commonwealth of Independent States runs counter to Ukrainian interests, according to First Deputy Foreign Economic Relations and Trade Minister Ihor Podolyev, who was quoted in published reports Sunday.

According to Podolyev, joining the CIS union would involve "hundreds of laws and legislative acts," and upset the legislative balance in Ukraine.

"The Customs Union is 100-percent based on Russian legislation," Podolyev was quoted as saying, and therefore not in the interests of other countries. For example, said Podolyev: Russian laws promote importing food though Ukraine is a large-scale food exporter. There also are contradictions in machine-building, automobile construction and other industries, Podolyev said.

According to officials, Ukraine's trade with CIS countries in 1995, though its percentage of the total trade volume of Ukraine decreased, grew in absolute figures, mainly at the expense of exports.

"We are not loosing the CIS markets," said Podolyev, noting that the foreign trade with the CIS and Baltic countries increased up to $19.4 million in 1995 from $17.7 million in 1994.

Answering a question on progrss with Ukraine's joining the General Agreement on Tariffs and Trade/World Trade Organization, Podolyev said that within one-and-a-half year to two years after joining GATT/WTO, Ukraine will get access to markets "with a capacity of about $10 billion." Ukraine will to join GATT/WTO this year, according to Podolyev, though the negotiated timetable previously reported by government was 1997.

Ukraine: Kuchma Meets Belgian Delegation; Comments on Constitution

LD1103203696 Kiev UNIAN in Ukrainian 1810 GMT 11 Mar 96

[FBIS Translated Text] Kiev — Ukrainian President Leonid Kuchma called the Constitutional Commission's adoption of the draft new Ukrainian Constitution and its handing over to the Ukrainian Supreme Council for debate a "historical event" at his meeting with an official delegation from the Belgian parliament, led by Senate President Frank Swaelen, today.

According to Leonid Kuchma, "this document is extremely necessary, because there are still forces in Ukraine wishing to return to the Soviet Union."

Leonid Kuchma stressed that the Constitution will be adopted "in such a form as needed by Ukraine," but he emphasized that support from European countries will be needed for this. "One should move from declarations to concrete matters," the Ukrainian president said.

He addressed a request to the Belgian delegation that the agreement on partnership and cooperation between Ukraine and the European Union be ratified as soon as possible.

Frank Swaelen said at the meeting that Ukraine's adoption of a new Constitution should be an impetus to develop relations with European countries.

Ukraine: Activities of Visiting Cuban Delegation

LD1103225396 Kiev UT-1 Television Network in Ukrainian 1900 GMT 11 Mar 96

[No video available]

[FBIS Translated Text] A delegation from Cuba's National Assembly of the People's Government has been in Kiev for several days now.

[Correspondent] Today the Cuban delegation had a meeting at the Ukrainian Supreme Council Commission for Foreign Affairs and CIS Relations. Commission Chairman Borys Oliynyk acquainted the guests with the political and economic situation in Ukraine and dwelt on the draft new constitution, noting that our state had not had such a balanced constitution before.

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In his turn National Assembly Vice President Jaime Crombet Hernandez-Baquero spoke about the current political situation on the island following the recent downing of aircraft. Forthcoming visits to Cuba this year by the Ukrainian president and a parliamentary delegation, led by the Supreme Council chairman, were also discussed at the meeting.

Ukraine: German-Ukrainian Military Exercises Start

LD1103175196 Moscow ITAR-TASS in English 1729 GMT 11 Mar 96

[By Sergey Balykov]

[FBIS Transcribed Text] KIEV, March 11 (Itar-Tass) — A group of officers from the 13th motorised infantry division headed by division commander Major-General von Skotti, arrived by a transport plane of the German Air Force in the Ukrainian city of Dnepropetrovsk on Monday.

German officers arrived there to take part in the first bilateral Ukrainian-German command and staff exercises within the framework of the Partnership for Peace programme.

These exercises under the code name of "Contact — 96" will be conducted between March 11 and 15 at the level of command of brigade staffs on the basis of the 93rd mechanised division stationed in the Cherkasskoye village of the Dnepropetrovsk region. Taking part in them will be representatives of the command level of the Armed Forces of Ukraine and the Bundeswehr.

The main tasks of the joint training include the deepening of mutual relations among armies and servicemen of the two countries, working out of tactics of operations for maintenance of peace, the elaboration of principles of conducting bilateral exercises within the framework of the Partnership for Peace programme scheduled for 1997.

These command and staff exercises are part of a programme for cooperation between the Armed Forces agreed on by the two sides.

It is not planned to use military troops during the exercises.

National Affairs

Ukraine: Kiev Draws Up New Constitution

LD1103170496 Moscow ITAR-TASS in English 1504 GMT 11 Mar 96

[By Mikhail Melnik]

[FBIS Transcribed Text] KIEV, March 11 (Itar-Tass) — "We have no draft new constitution which would satisfy everybody. The language of some provisions has caused disagreement not only among parties and movements, but also among some of the experts who prepared the document," Ukrainian parliament speaker Oleksandr Moroz said as he opened a meeting of the Constitutional Commission on Monday.

The meeting, which is expected to approve a draft constitution, is being held behind the closed doors and involves President Leonid Kuchma and Prime Minister Yevhen Marchuk.

Sources in the parliament told Itar-Tass that Moroz had suggested discussing the draft "in general, rather than article by article," which outraged the leftists, although the speaker is the leader of Ukraine's socialists.

The source said the disputed articles will be considered separately.

Co-chairmen of the Constitutional Commission's working sub- commission — Vladimir Butkevich and Leonid Podpalov — denied the leftists' statement that the draft constitution had been "falsified." They claimed that all articles had received the necessary number of votes.

At the same time, Butkevich noted that after adoption a new constitution will need constant change.

The procedure for adopting the new constitution has not been decided yet. The draft provides for a nationwide referendum as the procedure, while a number of parliamentarians insist that it should be approved by a majority in parliament.

In addition, the draft contains a lot of "time bombs." The idea of a bicameral parliament has already met opposition among deputies. According to the proposed scheme, the National Assembly (parliament) will consist of a 80-member upper house, the Senate, and a lower house, the House of Deputies, which will consist of 370 parliamentarians.

The present parliament consists of 450 members who cannot automatically carry on under their previous mandates as the new constitution prohibits them from combining both functions. This leaves only one option — dissolve the present parliament and call new elections.

Butkevich believes that this is exactly what needs to be done now. However, the incumbent deputies are unlikely to give up their position and status voluntarily.

During a meeting with his Belgian counterpart on Monday, Moroz pointed out that the draft constitution should establish a mechanism allowing political parties to struggle for power.

He said that some members of the Constitutional Commission want the new constitution to be modeled on the

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U.S. Constitution, while others favour European democracy. "I personally am more in favour of European constitutions and European democracy," Moroz said.

Ukraine: Commission Approves Constitution Prior to Parliament Debate

LD1103184096 Kiev UNIAN in Ukrainian 1800 GMT 11 Mar 96

[FBIS Translated Text] Kiev — The Constitutional Commission today approved the draft Constitution of Ukraine, which had been drawn up by a working group, and decided to submit it to the Ukrainian Supreme Council for examination together with observations and proposals made by the commission's members. Of the constitutional commission's 40 members, 23 voted in favor of this decision.

A total of five draft decisions were proposed to the Constitutional Commission for examination. The draft decision to "approve the draft Constitution in principle for further elaboration and examination in parliament," which Oleksandr Moroz, one of the Constitutional Commission's co-chairmen argued for, did not receive a majority of votes.

Representatives of the Communist faction proposed that the draft be rejected and that parliament be instructed to reform the Constitutional Commission.

At a news conference after the session, the Ukrainian parliament chairman [Moroz] stressed that the Constitutional Commission's decision "is not legally binding on the Supreme Council" and that the debate on the Constitution will proceed in accordance with the full procedure. He emphasized that the schedule for the debate will depend on "how quickly all of the observations made by the Constitutional Commission members are processed." The parliament chairman said that the commission's secretary had been instructed to hasten the submission of the draft to parliament for examination.

Ukraine: Kuchma's Envoy: Kiev Will Pay Attention to Crimean Message

LD1103174896 Kiev UNIAN in Ukrainian 1600 GMT 11 Mar 96

[FBIS Translated Text] Simferopol — Dmytro Stepanyuk, the Ukrainian president's permanent representative in Crimea, is convinced that the resolution adopted by the Crimean Supreme Council yesterday is a balanced one and that attention will be paid to it in Kiev. He expressed this opinion at a meeting with mass media representatives today.

To a question from a UNIAN correspondent about whether the draft Ukrainian Constitution, particularly the section concerning autonomy, could be viewed as provocative, Dmytro Stepanyuk noted that "politicians in Ukraine should be more careful not only concerning Crimea, but other regions too." He does not rule out that there are people "who are interested in making the situation an explosive one."

Dmytro Stepanyuk assured the journalists that the Ukrainian Supreme Council will examine the Crimean republic's constitution rather than the autonomy's charter. He believes that a "great political struggle" will develop with regard to the issue of the Crimean government, and said he was convinced that the issue of setting up a coalition government will definitely be raised. In his opinion, the government should "not be a political club, but a professional one."

Ukraine: Kiev Accused of Changing Constitutional Policy on Crimea

LD1103192396 Kiev UNIAN in Ukrainian 1800 GMT 11 Mar 96

[FBIS Translated Text] Kiev — Crimean Supreme Council Chairman Yevhen Suprunyuk believes that in the part on Crimea's status, the draft Ukrainian Constitution demonstrates "a return to rigid centralization of state power."

At a constitutional commission sitting today, Suprunyuk stressed that "the latest restriction on Crimea's already minimal rights casts doubt on the existence of Crimean autonomy." According to Suprunyuk, "it is difficult for him to explain the metamorphoses of power in Ukraine," because work on a draft Crimean Constitution had been proceeding prior to the publication of the Ukrainian draft constitution. He surmised that "Kiev's policy of supporting Crimean autonomy is needed by the Ukrainian leadership ahead of Ukraine's entry to the Council of Europe."

Yevhen Suprunyuk stressed that Crimean citizens will not accept the policy of "methodical and consistent elimination of Crimean autonomy."

Ukraine: Moroz on Preparations for Crimean Constitution

LD1103192896 Kiev UNIAN in Ukrainian 1800 GMT 11 Mar 96

[FBIS Translated Text] Kiev — Ukrainian Supreme Council Chairman Oleksandr Moroz believes that "now there are no grounds" for eliminating the concept of "republic" concerning Crimea or replacing the Crimean constitution with a charter. Corresponding norms have

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been proposed in the draft Ukrainian constitution, prepared by the constitutional commission's working group.

At a news conference on 11 March, the Ukrainian parliament chairman stressed that the Crimean constitution is being prepared on the basis of Ukrainian and Crimean parliament resolutions and that this procedure can only be changed by a Supreme Council decision. "I do not consider it expedient to debate other options," he emphasised.

Oleksandr Moroz said he is convinced that the Ukrainian parliament "will not agree to changing Crimea's name from 'Autonomous Republic of Crimea' to 'Crimean Autonomy' or to replacing the Crimean constitution with a charter."

Ukraine: Appeal by Kuchma's Representative to Crimea

WS1103134096 Simferopol KRYMSKA SVITLYTSYA in Russian 24 Feb 96 p 1

[Appeal by Dmytro Stepanyuk, permanent representative of the Ukrainian president in the Autonomous Republic of Crimea, to journalists and all Crimeans]

[FBIS Translated Text] Recently, the mass media in Crimea have disseminated materials which aggravate the socioeconomic and political situation on the peninsula. At the same time, materials which contain information about measures undertaken by the president or Ukraine's Supreme Council aimed at overcoming the complicated economic situation in the country are absolutely ignored. There is no information about legislative acts which are passed toward this end; nothing has been done to inform people about positive changes which are occuring in some enterprises and regions. Some materials which are written in a similar style are characteristic of such newspapers as KRYMSKAYA PRAVDA [CRIMEAN TRUTH], MESHCHANSKAYA GAZETA [BURGHER'S NEWSPAPER], KRYMSKOYE VREMYA [CRIMEAN TIME], KOMMUNIST KRYMA [CRIMEAN COMMUNIST], SLAVA SEVASTOPOLA [SEVASTOPOL'S GLORY], VECHERNIYY SEVASTOPOL [SEVASTOPOL AT NIGHT], FLAG RODINY [FLAG OF THE MOTHERLAND] (the Black Sea Fleet's paper), and a number of other publications, as well as of certain programs of Crimean Television. It seems that some journalists compete with each other in slandering, yet they do not provide any materials or programs which could shed light on the ways of overcoming this complicated situation.

For instance, on 16 February 1996 KRYMSKAYA PRAVDA disseminated 80,000 copies of the full text of a statement made by participants of the "round table" which had been held in Simferopol on 10 February and was devoted to the problems of the Russian-speaking population of the Autonomous Republic of Crimea. It was organized by the Russian community of Crimea and the Russian community of the city of Sevastopol. The following people participated in the session: Crimean Supreme Soviet Deputies S. Tselov, V. Korolev; representatives of the Crimean Society of Russian Culture; the Crimean Cossacks Union; the Committee of Crimean Soldiers' Mothers; The Black Sea Fleet Coordination Council of Officer Assemblies; G. Tikhonov, chairman of the Russian Federation State Duma Committee for CIS Affairs and Relations With Compatriots; G. Tikhonov's deputy A. Chekhoyev; and Deputies V. Yurik, V. Bayunov, V. Gaydenko, V. Isakov, and V. Lysenko.

The statement made by the participants of the "round table" seems to be a direct continuation of the "Statement of the Council of Compatriots of the Russian Federation State Duma on the Situation in Crimea." Its goal is to destabilize the situation on the peninsula, as well as to distort Ukraine's foreign and domestic policies. It calls for imposing political and economic sanctions on the Ukrainian independent state, puts forward territorial claims, and is filled with presumptions and insinuations.

The authors of the statement drew the following principal conclusion: "The policy pursued by Ukraine's state administration bodies with regard to Russians, which are the largest ethnic group in Crimea, seems to be, in general, a discriminatory policy."

In light of this, I would like to state that these kinds of allegations are overt lies, as well as the rest of the theses of the aforementioned document "on infringement of the rights of the Russian-speaking population" in the Autonomous Republic.

It is characteristic that these materials were published in a nonstate newspaper, which received 15 billion karbovantsi [K] from the Republic's budget in 1995 — which could have been allocated for the payment of wages and pensions or for financial assistance for those who are in dire need. Obviously, such an astronomic sum was allocated mainly due to the fact that chief editor of KRYMSKAYA PRAVDA M. Bakharev and his deputy T. Ryabchykova have the status of people's deputies of the Autonomous Republic of Crimea's Supreme Soviet.

I would like to state, with full responsibility, that currently there is not a single act aimed at restricting the rights of the Russian-speaking population in Crimea. According to the Law of Ukraine "On the Autonomous Republic of Crimea" of 17 March 1995,

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the Republic has legislative and executive authorities in the form of the Supreme Soviet and the government, contrary to all Ukrainian oblasts, which do not have these kinds of bodies. In fact, this is what determines the particular status of Crimea.

At the same time, the maintenance of Crimea's Supreme Soviet alone costs the taxpayers K800 billion annually. The Crimean Government has its mission in Moscow. Over K8 billion was spent on the three-month maintenance of five employees of this mission. Meanwhile, the socioeconomic situation is extremely exacerbated; the process of the return of deported nationalities continues; employees of the budget sector do not receive their wages on time; the slump in the production sector continues. At the same time, the bureaucratic apparatus of the executive administration bodies has expanded significantly. This issue has been examined by the government, and in the immediate future Ukraine's president will be presented with specific proposals oriented toward a significant reduction of the governmental apparatus.

As a matter of fact, the Ukrainian Supreme Council, by issuing the Law of 17 March 1995 "On Abolition of the Constitution and Other Laws of the Autonomous Republic of Crimea" abolished the institution of the presidency in Crimea, given that its introduction contradicted Ukraine's Constitution, and President Yu. Meshkov himself pursued a policy which ran counter to Ukraine's legislation. His activities built up tensions; he tried to change the existing political system, and overstepped his authority which — according to 318 Ukraine's people's deputies (301 votes make the constitutional majority which gives the right to introduce amendments and supplements to the constitution) even bore signs of crime envisaged by Ukraine's Criminal Code.

The institution of Ukraine's Presidential Administration Mission in the Autonomous Republic of Crimea was established in accordance with the Ukrainian Law "On the Representative of the Ukrainian President to the Republic of Crimea" of 17 December 1992, and will function without the enlargement of the earlier confirmed list of staff. The powers of the permanent representative do not replace the legislative and executive powers in the Republic, as was stated in my appeal which was earlier disseminated by the media. It was published in KRYMSKAYA PRAVDA only in the form of a report. It is a pity that people there do not want to listen to opinions other than their own.

Attempts made by the authors of the appeal to exert political and economic pressure on Ukraine by appealing to Russia's president, Government, and State Duma are meant to undermine brotherly relations between Russia and Ukraine, as well as to break the full-scale agreement between Russia and Ukraine, which is being prepared for signature. These attempts, which seem to be the beginning of the presidential election campaign in Russia, may evoke an adequate reaction on the part of the Ukrainian leadership and be accepted in the entire civilized world. Meanwhile, Russia, the United States, and Great Britain have been Ukraine's guarantors of security when the latter jointed the Nonproliferation of Nuclear Weapons Treaty. Any pressure exerted on Ukraine, including economic pressure, may serve as a reason for the suspension of the implementation of the treaty's provisions by Ukraine.

The authors of the appeal maintain that the Russians in Crimea are in the position of a national minority. Meanwhile, there are 300 schools in Crimea, and only one of them is a Ukrainian-language school — which serves 760,000 Ukrainians out of the 2.5 million of Crimea's residents — and two Tatar language schools. In 1995 Russian-language broadcasts on Crimean television constituted 85 percent of the total amount of air time; Tatar-language broadcasts constituted 7 percent; and Ukrainian-language broadcasts — 1.7 percent. As for the radio — it was 88, 12, and 3 percent respectively. **Among three state languages of the Crimean Autonomy — Crimean Tatar, Ukrainian, and Russian — the Russian language is in fact used everywhere.** Words of a certain ill-famed classic writer unintentionally come to mind. If we want people to believe in a lie, it should be a great lie. **No, there is not a single example of closing dawn a Russian school, a Russian-language class, a theater, library, high school or an institution of higher education. There are no grounds to maintain that the rights of the Russian population have been restricted. The so-called appeal which was disseminated contained an overt lie.** All we have to do now is to find out whose interests it serves, and what aims its authors wanted to achieve.

The revelations of V. Gaydenko, former assistant of the well-known K. Zatulin, seems to be a characteristic confession: "...The Russian Federation State Duma can render real assistance to the Russians in Crimea; however, to do this we need help from the province. Otherwise, it will be deemed interference into the internal affairs of the sovereign state of Ukraine...."

Anyone who is inexperienced in politics understands that this is an "interference," as well as instigation, developed within 24 hours. It is characteristic that the inflammation of tensions on the peninsula and the dissemination of disinformation was conducted during recent years on the eve of the vacation season. **The threats**

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of the Tatar factor, repeated on many occasions at the "round tables", are nothing more than attempts to drive a wedge between friendly relations of Ukrainian residents of diverse nationalities.

As a matter of fact, the "round table" seems to be a continuation of another "round table" held on 9 February in Yalta with the participation of the same State Duma deputies and Crimean Supreme Soviet deputies of the "Soyuz" [Unity] legislative faction. This "round table" was entitled "Integration Process on the CIS States Territories in Light of 1995 Indicators." Afterwards, those deputies traveled to the city of Sevastopol, where they participated in unsanctioned rallies. The interesting point is that funds for the Yalta meeting were allocated by the KrymGAZservice joint-stock company (whose general manager A. Lazarev is a member of the Crimean Supreme Soviet "Soyuz" legislative faction), which has been exempted from paying certain taxes by a government and parliament resolution.

The proposals made by the participants of the "round tables" — to appeal to the Russian Federation State Duma for holding parliamentary hearings on the situation of the Russian population in Crimea, and for the inclusion into the Russian Federation's Constitution of a regulation on the federal status of the city of Sevastopol — constitute encroachments on the territorial integrity of Ukraine and interference into its internal affairs. A consular group of the Russian Federation Foreign Ministry, which operated in Simferopol, had overstepped its authority; therefore Ukraine's foreign ministry was forced to pass a resolution on the cessation of its activitie

Participants of the "round tables", dazzled by imperialistic chauvinism, did not even notice that during those days in which they built up tensions, Crimea experienced a natural disaster. As a result of a harsh drop of the temperature below zero, and due to glazes and icing of electric lines, 162 residential areas were entirely cut off from energy supplies and 100 residential areas were partially cut off. Some 1,887 economic entities of particular importance found themselves cut off from energy supplies; the general loss amounted to K2 trillion. At the time, when other Ukrainian regions rendered the necessary assistance to the peninsula, the efforts of certain "politicians" were oriented not toward the liquidation of the disaster's consequences, but on intensifying confrontation and satisfying their own political ambitions.

It is normal that after becoming an independent state Ukraine increased the number of its history lessons in schools, given that residents should know the history of their own state.

This is a national policy. Ukraine strives toward the reconstruction, strengthening and development of spiritual, creative, and scientific relations between Ukraine and Russia, as well as with other countries. Ukraine strives toward the development of culture of all nationalities which live on the peninsula, proceeding from the many-centuries cultural legacy of these nationalities.

The first meetings held by me with Crimean Supreme Soviet deputies, members of the government, industrialists and entrepreneurs, chiefs of law enforcement bodies, and Crimean residents indicated that there is a healthy potential in the Autonomous Republic — which should be used for the resolution of vitally important problems. Furthermore, currently the government — jointly with the temporary commission for examining the political-legal situation in the Autonomous Republic led by People's Deputy Yu. Karmazin at the request of Ukraine's president Leonid Kuchma — is developing an entire complex of proposals addressed to Ukraine's Cabinet of Ministers and the president, which I believe will be passed in the immediate future.

I appeal to employees of the media, as well as to all Crimean residents, to restrain from any measures which may destabilize the situation in the region and incite hostility and interethnic discord. At the same time, I appeal to them to be responsible before society and future generations.

From my side, I am deeply convinced about the important role of the media, I recognize the hard work of their employees, and I am ready to meet with any journalistic collectives and associations, the activities of which are advantageous for Ukraine.

I am convinced that our mutual efforts, aimed at the creation and improvement of people's prosperity, will produce results in the immediate future. I hope that the text of my appeal will be published in the media, which consider objectiveness and openness as their principal task and a matter of professional honor.

[Dated] Simferopol, 18 February 1996.

Economic Issues

Ukraine: Poll Reveals 'Positive Changes' in Market Attitudes

AU1203154796 Kiev URYADOVYY KURYER in Ukrainian 7 Mar 96 p 9

[Unattributed report: "The Population Adjusts to Market Conditions"]

[FBIS Translated Text] **The population adjusts to market conditions. This is confirmed by a sociologi-**

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cal study among various marginal groups of the population that was conducted last year by the Scientific Research Center for Problems of Population Employment and Labor Market at the Ukrainian National Academy of Sciences and Ministry of Labor. Even though many people now complain about social impoverishment and economic hardships, positive changes may also be observed, as well as new phenomena among various groups of Ukraine's population.

A shorter period of search for work, something that is very significant from the point of view of maintaining professional skills, is one of the main adjustment criteria.

As was the case in 1994, high and stable earnings remain a basic desire of all those who work. By way of comparison, while 42.1 percent of respondents stressed this in 1994, the percentage was 65.6 in 1995. Stable income occupies second place, satisfaction with conditions of work — third place, satisfaction with work regulations — fourth place, and work prestige and so on — fifth place. It is illustrative that the majority of young people (especially graduates of institutions of higher learning, secondary technical schools, and vocational schools) showed a somewhat abrupt change of the scale of values. For example, the criterion of high income has grown by 34.5 percent, and the criterion of stable income — by just 3.8 percent, and of work prestige — by 20.6 percent.

The total number of those respondents who are ready to change profession if they fail to find work according to their current profession has increased by almost 10 percent. This problem is particularly acute in Luhansk, Chernivtsi, and Donetsk oblasts. It is, however, a dangerous trend that the majority of respondents expressed a wish to engage in unconventional activity, or abandon their socially useful work. All marginal groups show a very slow rise in preference for entrepreneurship, although there are increasing efforts by women to open their own businesses.

In the opinion of sociologists, a portion of the unemployed population shows less desire to change the place of residence. The desire to emigrate is the highest in Chernivtsi Oblast and in Kiev (32.8 percent and 30.2 percent). Such sentiments are very scarce among those at risk in the jobs market (2.3 percent of them would like to emigrate and 1.5 percent — to move somewhere within Ukraine).

Particular attention must be drawn to the fact that almost one-third (31.5 percent) of respondents regard the loss of job as a personal tragedy, associated with a shortage of means of subsistence, and as a social disaster leading to the lowering of their professional skills and motivation to work. For many respondents, the loss of their job can lead to family conflicts, breaches of law and order, and crime. An estimated 47 percent of individuals on the margins of society in Chernivtsi Oblast, 41.7 percent in Luhansk Oblast, 38.9 percent in Kiev and in Khmelnytskyy Oblast, 38.1 percent in Kirovohrad Oblast, and 35 percent in Donetsk Oblast regard the loss of a job as a result of an enterprise closing down as a personal tragedy.

By contrast, an atmosphere of certain tranquillity gradually sets in among those who work at enterprises. Whereas in 1994, the prospect of becoming unemployed threatened 63.5 percent of respondents and 22.1 percent of them did not have such fears, in 1995, the former category of respondents decreased to 52.1 percent and the latter increased somewhat — to 23 percent. Of all the oblasts surveyed, in Zhytomyr Oblast alone the percentage of people afraid of losing their jobs increased.

The authority of state bodies in charge of employment is growing among individuals potentially on the margins of society. For example, 73.8 percent of respondents belonging to this group believe that the state and its corresponding structures should be responsible for the citizens' employment. This index is particularly high in Zhytomyr, Kirovohrad, and Donetsk oblasts and in Kiev. On the whole, this criterion increased by 11.4 percent last year. However, reliance on state bodies for employment has decreased among individual marginal groups of the population that need special care. Whereas in 1994, 76.7 percent of respondents released from the ranks of the Armed Forces, pinned their hopes upon state bodies, in 1995, this index was just 45.5 percent. Among people released from imprisonment, the corresponding estimates are 60.6 percent and 52.9 percent. Just 36 percent of them intend to turn for help to employment centers.

The poll showed that among those people released from army service, the desire to work in the state sector decreased and to work in the private sector grew.

The potential for adjustment to market relations is also growing among nonworking women. The following trends are typical of them: Primarily, the number of women intending to look for work on their own increased by 6.6 percent. The number of those who would like to find any job also decreased (from 8.6 percent to 5.9 percent). At the same time, the fact that the number of women wanting to engage in unorthodox activity has doubled (from 10 percent to 20.2 percent) is a negative factor. In Kirovohrad Oblast, 50 percent of female respondents pointed to this way of subsistence.

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High-school students give rise to concern. The number of those who find it very important to get a job after finishing school is 50 percent less. A decrease in these indexes is typical of all regions where the survey was conducted, but more than one-third of such answers came from respondents in Kiev and in Chernivtsi Oblast. The majority of respondents in this group in Kirovohrad and Luhansk oblasts believe that yesterday's schoolchildren who have not found jobs may pose a social hazard. It must be pointed out that, on the whole, such responses constitute 43.4 percent. Of course, this study must lead specialists dealing with such problems to profound thinking and also to conclusions that would enable the population within various marginal groups to better adjust to conditions transitional to a market economy.

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Belarus

Belarus: Presidential Aide on 'Further Integration With Russia'

WS1103151996 Minsk RESPUBLIKA in Russian 7 Mar 96 p 2

[Interview with Belarusian Presidential Administration head Mikhail Myasnikovich, by BELTA correspondent Tereza Khayutina; place and date not given: "Joint Programs Are Profitable for Both Countries"]

[FBIS Translated Text] **The support of national producers, the elimination of potential competition, and the coordination of trade policies toward third countries have been called the primary tenets of agreements on further economic integration between Russia and Belarus. Belarusian Presidential Administration head Mikhail Myasnikovich told a BELTA correspondent how these tenets will be implemented.**

[Myasnikovich] The legal basis is being established for our economic cooperation, which must be implemented through relevant resolutions issued by the Russian and Belarusian governments. This does not at all imply that some kind of greenhouse conditions are being set up for Belarusian or Russian enterprises, due to which they would live comfortably. At issue here is the alleviation of the customs and tax pressure and the simplification of mutual accounts due to which it will be possible to decrease production costs — and thus prices — and to become more competitive on both the near and far abroad markets.

[Khayutina] Belarusian President Alyaksandr Lukashenka has said that a joint budget to finance joint programs will likely be established. Which programs, along with the Chernobyl cleanup program, are implied?

[Myasnikovich] These are programs in the area of fundamental scientific research. If it is well known, for example, that our university and academic science have carried out joint research on many problems successfully. But these scientific programs were carried out in the interest of the entire former Soviet Union. Now many of them are not in demand in Belarus and it is very difficult to sell this scientific product. Therefore, we think that science must work in the interest of the Belarusian-Russian joint economic space.

Joint programs in some areas of infrastructure can also be drafted. This primarily refers to transportation and telecommunications. I do not imagine how, for example, a portion of a road can function independently. Roads from the Far East to West Europe must be effective. Only then will the entire route will be effective. The same refers to railroad shipments. If both sides reduce their rates to some extent, then transportation costs will be cut, thus reducing the price of products.

We are also developing powerful systems and teleports in telecommunications. Taking advantage of our geographic location, we will be able to transfer information from Southeast Asia to Europe, to Scandinavian countries, and the other way around. It is profitable to create a joint corridor and to use joint capacities.

During the Belarusian-Russian negotiations, plans to open up and exploit [oil] deposits were also discussed. If during the time of the Soviet Union, the Russian Federation extracted some 600 million tonnes of oil, today this amount stands at some over 300 million. One of the reasons for this decrease in oil extraction is the lack of resources. Is this only Russia's problem? In our opinion, this is also the problem of users of Russian energy resources, who must not allow oil extraction to be further reduced. It is also impossible to resolve an issue regarding the thrifty use of energy resources within the framework of one state.

[Khayutina] How will the entrance of our commodities to the markets of third countries be helped?

[Myasnikovich] To a great degree. It is sometimes difficult to sell our Belarusian goods, not because they are of poor quality, but because they are unknown, while Russian goods are more familiar on the markets. Therefore, joint advertising and middlemen activities are important. In addition, it is necessary to think about how to divide markets in order to avoid unnecessary competition between Russia and Belarus; this will make it possible to cut back on transportation, advertising, and middlemen's services. These programs can also be financed from a joint fund to be formed through deductions from the state budgets.

Belarus: Communist Party Leader on Zyuganov Victory, Integration

LD1103164496 Moscow INTERFAX in English 1413 GMT 11 Mar 96

[FBIS Transcribed Text] MINSK, March 11 (Interfax-West) — An election victory by Communists in Belarus and Russia will create a good environment for deeper integration by the two countries, leader of the Belarussian Communist party Sergey Kalyakin told Interfax.

He said left wing groups in both countries were the only forces whose political programs formally declare the task of unifying Belarus and Russia to each other's advantage.

At the same time, Kalyakin said that no tangible results could be expected to follow at once on the way of

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bilateral integration in the event of an election victory by leader of the Russian Communist party Gennadiy Zyuganov. "No radical change will take place," he said, adding that Zyuganov's victory did not warrant an approval of his legislative moves "even by the incumbent State Duma and Federation Council."

However, Kalyakin has no doubts that triumph by Zyuganov in June would give a push to economic and political integration of the two neighbor states. More importantly, he believes that Zyuganov's victory would help beef up "the chances of the Belarussian Communist party (the country's largest political force — IF) at achieving new political gains."

Belarus: Communist Party Chief Comments on Relations With Russia

LD1103175096 Moscow INTERFAX in English 1644 GMT 11 Mar 96

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] Sergey Kalyakin, the leader of the Party of Communists of Belarus's parliamentary group, the largest in the Belarusian parliament, comments on the idea of closer integration of the two countries spelled by Belarusian and Russian Presidents Alyaksandr Lukashenka and Boris Yeltsin.

Kalyakin does not believe that Belarus stands to lose part of its sovereignty in the case of unification with Russia. He believes that the future unification treaty should include a provision that either side can veto any decision made by any supra-national governing structure.

A common government or parliament are not compulsory for a union of Belarus and Russia, Kalyakin said.

In his view, a joint legislature where one member would represent a certain number of voters is not in Belarus's interests because the country would be hopelessly outnumbered in such a parliament while Russia is not likely to agree to a bicameral parliament in which Belarus would be represented equally with Russia.

Kalyakin doubts the necessity of a joint Culture or Economy Ministry.

On the other hand a joint command of armed forces or a joint army group under a joint command would probably be desirable, he thinks. Kalyakin also thinks that the two countries must jointly protect Belarus's western borders because there is no border between Belarus and Russia.

Kalyakin is convinced that the Belarusian-Russian union should balance the interests of the two states and be supported by the will of the two nations. "Once the union treaty is ratified by parliaments, the document should be voted on in both Belarus and Russia. Only then is a real unification of the two countries possible," he believes. Kalyakin emphasized, however, that by integration he does not mean Belarus's entry of Russia or reinstatement of the Soviet Union, especially in as it existed in 1980s.

Kalyakin thinks that differences in the Belarusian and Russian legislations add up to the most difficult problem in integrating the countries. The process of creating a uniform legislation "would amount either to one side agreeing to the rules of the game proposed by the other side or to the two sides working out a common legislation," he thinks. Kalyakin explained that ironing the differences out is essential for a union.

"In both countries the left wing alone call for a unification of Belarus and Russia on a mutually beneficial basis and so once the communist forces take power, there will be a favorable basis for a closer integration," Kalyakin thinks.

The possible victory of the communist leader Gennadiy Zyuganov in the Russian presidential elections will not immediately bring about tangible results as far as integration is concerned, Kalyakin said. But if Zyuganov does win, the economic and political integration of Belarus and Russia will take on a new dimension and will improve the chances of Belarussian communists to score political successes, he believes.

Moldova

Moldova: Ethnic Relations Official Visits Serbia

AU1103190796 Chisinau BASAPRESS in English 1930 GMT 9 Mar 96

[FBIS Transcribed Text] Chisinau 09/03/1996 (BASA-press) — The prospect to sign an ethnic minority co-operation agreement between Moldova and Yugoslavia has been discussed during a recent visit by Veronica Abramciuc, head of the Moldovan Ethnic Relations Department, to Belgrade.

She told BASA-press "since Yugoslavia is a country primarily confronting problems similar to Moldova's, we agreed with the respective Yugoslav ministry that the agreement we intend to sign will stipulate a sweeping exchange of experience and information on the situation of minorities, protection of their rights and freedoms in these two states."

The sides also agreed on the cooperation in culture. "Though we do not have common ethnic minorities, except for some particular cases, the Yugoslav side shows a keen interest in this cooperation, especially

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in our experience to solve the problems of localities densely inhabited by Gagauzis," said Abramciuc.

Currently, Moldova has concluded ethnic cooperation agreements with Russia and Ukraine, the agreement with Belarus is about to be finalized. A similar agreement with Bulgaria is being drafted.

Abramciuc also stated that while concluding cooperation agreements with Ukraine, Moldova had to adjourn its signing twice, because it did not agree on certain provisions of this agreement.

In particular, Ukraine insisted on some rights for the Gagauz Diaspora in Ukraine which represents 60,000 people.

"Finally, we accepted to sign it, because the respective agreement concerns the situation of those 600,000 Ukrainians in Moldova and 500,000 Moldovans in Ukraine, the latter confronting a much more difficult situation than the Ukrainian minority in Moldova," specified Abramciuc.

The agreement was signed on condition that it will be later complemented with new articles to ensure the protection and development of ethnic minorities in both states, including the situation of Gagauzis in Ukraine, said Abramciuc.

Moldova: Chisinau, Dniester Region Deadlock on Region's Status

LD1103195996 Moscow INTERFAX in English 1905 GMT 11 Mar 96

[FBIS Transcribed Text] TIRASPOL, Mar 11 (Interfax) — Moldova and Dniester agreed on various aspects of the future status of the Dniester region but failed to agree on the status itself, according to a statement issued Monday after the end of meetings between the delegations of Moldova, headed by President Mircea Snegur, and Dniester, headed by local leader Igor Smirnov.

According to the press release issued by heads of working groups of experts from Chisinau and Tiraspol, the sides agreed on certain aspects of Dniester's status, on the activities of chambers of industry and commerce and customs services, on standardization and metrology.

However, they failed to reach agreement on financial and banking issues or to define the region's status which, according to experts, is the major stumbling block.

Valeriy Litskay, Dniester state secretary and head of the working group of Tiraspol experts, told journalists the sides will continue working on the region's status, gradually agreeing on issues which cause no disputes.

According to him, the sides have agreed on a free press, constitution and symbols of the Dniester region.

Mihai Busuleac, first deputy Moldovan justice minister and head of the group of Chisinau experts, said Moldova remains the single subject of international law. However, under the reached agreements, Dniester will have the right to establish foreign economic, cultural, scientific and some other kinds of international ties, he said.

The experts also pointed out active participation in the Monday meeting by mediators from the Russian and Ukrainian presidents and the OSCE permanent representative in Moldova.

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Kazakhstan

Kazakhstan: Nazarbayev, U.S. Envoy Collins Discuss Cooperation

LD1103153696 Moscow INTERFAX in English 1413 GMT 11 Mar 96

[FBIS Transcribed Text] ALMATY, March 11 (INTERFAX) — President of Kazakhstan Nursultan Nazarbayev and special envoy of the U.S. State Department in the CIS James Collins met in Almaty Monday to discuss expanded U.S. cooperation with Central Asian nations.

Collins told correspondents after the meeting they had also discussed inter-Tajik settlement. "The United States is ready to cooperate with anyone who tries to help inter-Tajik settlement — Russia, Kazakhstan, Uzbekistan, Turkmenistan and other countries," he said.

Commenting on bilateral relations, he said Washington supports expanded U.S. private investments in the economy of Kazakhstan.

In his turn, spokesman for the Kazakh president Dulat Kuanyshev told correspondents that Collins passed over a personal message from U.S. president Bill Clinton to the Kazakh leader. The message "praised the role of Nursultan Nazarbayev in large-scale reforms and supported independent development of Kazakhstan."

The U.S. delegation includes officials from the White House, the Defense Department, the Treasury Department and the State Department.

According to Collins, they considered a project for conversion of a large chemical plant in Stepnogorsk, in the Central Kazakh region of Akmolina, which used to make chemical arms.

Collins voices the support of the U.S. government for the initiative of Kazakhstan, Uzbekistan and Kyrgyzstan to form a Central Asian peace-making battalion under the U.N. aegis.

Tonight Collins will leave Almaty for Moscow.

Kazakhstan: U.S. Ambassador Discusses Defense Conversion Program

LD1203121896 Almaty Kazakh Television First Program Network in Russian 1500 GMT 11 Mar 96

[FBIS Translated Text] James Collins, the U.S. envoy for specific tasks, arrived in Almaty yesterday. His current post is to organize intelligence policy at the U.S. Department of State. He is accompanied on this visit by Ashton Carter, U.S. assistant secretary for defense, and Coit Blacker, director of a department at the National Security Council.

[Unidentified Correspondent] Since all the official talks were held behind closed doors, and the U.S. delegation was represented mainly by nuclear armament control specialists, it was not difficult to guess that the main subject of the talks with [Kazakh President Nursultan] Nazarbayev was possibly the geopolitical aspects of military cooperation. This was confirmed by Collins himself at a briefing. He announced that the United States intends to help Kazakhstan convert military production. Specifically, the issue of re-equipping the Stepnogorsk plant for the output of civilian chemical products was discussed.

The U.S. side expressed its support of the Kazakh president's initiative to set up a peacekeeping battalion under UN aegis. Meanwhile, the United States has no intention whatsoever of interfering in Russian-Kazakh issues relating to deployment of Russian military bases on the territory of Kazakhstan. According to Collins, this is the internal affair of the two countries.

The sides discussed the program of cooperation between Kazakhstan and the United States for this year, paying specific attention to the issue of attracting foreign investments to Kazakhstan by creating favorable conditions. James Collins said the U.S. Government supports the efforts made by the CIS countries to integrate. It wants these processes to be carried out taking into account the national interests of all the countries involved, which would allow each country in this area to feel itself a proper participant in the world community and the world economic system. James Collins passed a personal message from Bill Clinton to Nursultan Nazarbayev in which the U.S. President praised Kazakhstan's role in setting up the security system in the area.

[Announcer] The U.S. delegation was interested in finding out how the conversion program is going. The program was undertaken by Kazakhstan within the framework of an agreement to give the republic four grants totalling $37 million, signed by U.S. Secretary for Defense William Perry. At the meeting, Mr. Collins also touched on the issue of the status of the Caspian Sea and the situation with the Caspian Pipeline Consortium. Kazakh Defense Minister [Alibek] Kasymov, who returned yesterday from a working visit to the United States, also took part in the meeting. On the same day, U.S. Ambassador James Collins held talks with the Kazakh Foreign Minister Kasymzhomart Tokayev.

The U.S. official delegation left for Moscow this evening.

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Kyrgyzstan

Kyrgyzstan: U.S. Envoy Addresses News Conference in Bishkek

LD0803223196 Moscow ITAR-TASS World Service in Russian 1845 GMT 8 Mar 96

[By ITAR-TASS correspondent Alisher Niyazov]

[FBIS Translated Text] Bishkek, 8 Mar — The United States does not intend this year to reduce the amount of its financial assistance to Kyrgyzstan, which amounted to $50 million in 1995. Journalists were given this information in Bishkek today by James Collins, ambassador at large and special adviser to the president and the U.S. secretary of state for CIS affairs. He said that the financial aid granted to Kyrgyzstan as support for the economic and political reforms it is implementing is further proof of the U.S. government's encouragement of the Kyrgyz leadership's course of democratic tranformation as one of the most consistent in the CIS countries.

A U.S. governmental delegation led by James Collins and including representatives of the U.S. State Department, Defense Department, the Treasury Department, the CIA, and the National Security Council arrived in Bishkek this morning on an official visit to discuss with the Kyrgyz leadership prospects for bilateral economic and military cooperation. During the morning the U.S. delegation had meetings with President Askar Akayev, Prime Minister Apas Dzhumagulov, Foreign Minister Roza Otunbayeva, and representatives of the country's military and finance departments. The U.S. diplomat stated at a news conference that during these talks "there was a necessary exchange of views on the further deepening of U.S.-Kyrgyz cooperation."

In addition agreement was reached at the talks on Kyrgyzstan's closer interaction with NATO's Partnership for Peace program. According to James Collins, "Kyrgyzstan is ready to participate in an extensive list of measures under the program planned for 1996," and all of this, Collins said, may be fully financed by the United States. In particular, J. Collins said, it is a question of creating a Kazakh-Kyrgyz battalion under NATO auspices, which could take part in the large-scale NATO military exercises that are scheduled to be held this summer in the United States.

Tajikistan

Tajikistan: Rakhmanov Excoriates Opposition Absence From Parliament

LD1103144296 Moscow ITAR-TASS in English 1419 GMT 11 Mar 96

[By Galina Gridneva]

[FBIS Transcribed Text] DUSHANBE, March 11 (ITAR-TASS) — President of Tajikistan Emomali Rakhmanov today described the failure of the opposition leaders to appear in parliament as "contempt of the people of Tajikistan and the parliament."

The Tajik parliament held an emergency session to discuss the settlement of the inter-Tajik conflict. The President told the session that "When inviting representatives of the opposition to parliament we were guided by only one desire — to set in motion the Ashgabat round of the inter-Tajik negotiating process which has found itself in a blind alley and to find new ways of search for compromise.

The Tajik leader reiterated that there was no military solution to the problem. Fighting threatens to destroy the state, and because of this "we must find a way that would lead us to national concord and peace, towards unification," President Rakhmanov said.

The head of state expressed gratitude to the United Nations and the mediator countries participating in the negotiating process for their participation in the settlement of the crisis.

Rakhmanov said he had addressed a letter to the U.N. Security Council asking it to have U.N. military observers not only on Tajik territory but also in neighbouring Afghanistan where the situation was far from simple.

"Unless the situation stabilises in Afghanistan, there will be no peace in our country," the Tajik President continued to say.

According to Emomali Rakhmanov, the United nations should work out a mechanism of responsibility for the negotiating process with respect to both parties. In addition, the international community should "use levers to bring political pressure to bear on the countries which intervene in Tajikistan's internal affairs and provide financial and other support to the armed struggle and terrorist acts against the constitutional government."

The President of Tajikistan categorically rejected the opposition's demand to form such "unconstitutional bodies" as a National Reconciliation Council.

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"I am the guarantor of the Constitution and I cannot violate that law," the head of state stressed.

President Rakhmanov also rejected the opposition's charges of "illegitimacy" of the present Tajik parliament. He stressed that the Republic's supreme legislative body had been elected democratically, which was confirmed by international observers of the elections and representatives of a number of international organisations.

The head of state recalled that, in keeping with the recently signed Ashgabat declaration, the Tajik opposition leaders agreed to take part in the extraordinary session of parliament. But at the last moment they categorically refused to attend, citing insufficient guarantees of their personal safety, even though the government of Tajikistan had issued written guarantees of their safety, Rakhmanov said.

He stressed once again that he was in favour of a peaceful political settlement of the conflict, as there was no alternative to the negotiating process.

Tajikistan's Foreign Minister Talbak Nazarov, who led the government delegation to talks in Ashgabat, criticised the political opponents who lead the Tajik opposition for their "non-constructive approach to the settlement of the conflict by peaceful means."

None of the constructive proposals put forth by the official Dushanbe since 1994, from the moment when the peace process started, has met with a positive response on the part of the leaders of the Tajik opposition, Nazarov said.

As concerns the Ashgabat round of the negotiating process, Minister Nazarov said the opposition continued to insist on the establishment of a national reconciliation council in Tajikistan and on the dissolution of the parliament and other constitutionally elected bodies of power.

"Those constitutional bodies of power were elected democratically, and their activity has been highly praised by a number of international organisations, above all the United Nations and the Organisation for Security and Cooperation in Europe," the Tajik Foreign Minister stressed.

The parliament session was attended by representatives of the United Nations and the countries-monitors of the Tajik negotiating process, including Russia and Uzbekistan.

Tajikistan: Parliament Approves Policy of Peaceful Solution to Crisis

LD1103145396 Moscow ITAR-TASS World Service in Russian 1405 GMT 11 Mar 96

[By ITAR-TASS correspondent Galina Gridneva]

[FBIS Translated Text] Dushanbe, 11 Mar (ITAR-TASS) — The Tajik parliament today approved the republican leadership's course toward a peaceful political solution to the inter-Tajik crisis. After debating at a special session the development of the inter-Tajik talks process in Ashgabat, the deputies of the supreme legislative body adopted by a majority vote a resolution which decided "to continue the inter-Tajik dialogue by peaceful political means." The document contains a recommendation "to organise a commission of a number of experts to offer advice to the main delegation at the talks".

The parliamentarians also expressed the desire that the next round of the inter-Tajik talks process should be held "on Tajik territory, in Dushanbe, because problems of a settlement of the crisis are linked precisely with the Tajik people."

It is expected that the session on an inter-Tajik settlement will end today.

Tajikistan: Opposition Ready To Resume Dialogue at Top Level

LD1203115296 Moscow ITAR-TASS in English 1015 GMT 12 Mar 96

[By Oleg Kuzmin]

[FBIS Transcribed Text] TEHRAN, March 12 (ITAR-TASS) — The United Tajik Opposition (UTO) is prepared to resume dialogue with the Dushanbe government at the highest level. UTO leader Abdullo Nuri has agreed to a meeting with President Emomali Rakhmanov of Tajikistan, UTO deputy leader Akbar Turadzhonzoda stated here on Tuesday in an Itar-Tass interview.

The principal subject of discussion at the talks should be a quest for ways for a political settlement of the problem, not an extension of the Tehran agreement on the cessation of fire for the duration of the negotiations, since the opposition has already agreed to extend the ceasefire until May 26, Turadzhonzoda emphasised.

The opposition has refused to send a delegation to Dushanbe to attend an open session of parliament for two reasons: the first of them being concern for the safety of the delegation and the other one being the disappearance of Zafar Rakhmonov [Muzaffar Rahmoni],

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the opposition's Co-Chairman of the Commission to monitor ceasefire, Turadzhonzoda said.

In response to a question as to how the opposition visualises ways to settle the conflict, Turadzhonzoda said as follows: "The principal issue should be settled — that of participation of the opposition in the administration of the state during a transitional period which will take one and a half or two years — until new parliamentary elections on a multi-party basis. It will be easier to settle the rest of the issues, including the one concerning the disarmament of opposition detachments".

The opposition agrees to recognise the powers of Emomali Rakhmanov as president for the transitional period. The opposition insists that a National Reconciliation Council, 40 per cent of members of which will represent the opposition, should form a government, declare a general amnesty, and approve a new electoral law. "What we demand is not even a dissolution of the parliament but only a transfer of some of its functions to the NRC, with the main of them being the right to pass a law on elections," Turadzhonzoda pointed out.

Tajikistan: President Welcomes Opposition Support for Cease-fire

LD1103153896 Moscow INTERFAX in English 1413 GMT 11 Mar 96

[FBIS Transcribed Text] DUSHANBE, March 11 (INTERFAX) — Tajik President Emomali Rakhmanov has praised the decision of the united opposition to support the government initiative to extend the ceasefire agreement until May 26 without any preliminary conditions.

"We must look for new political approaches and use all our reserves to reach a mutual understanding and work out a mutually acceptable compromise decision," he stressed at a Monday parliament session in Dushanbe.

The chief negotiator at the talks with the opposition, Foreign Minister Talbak Nazarov, delivered a report at the session. "The government has made many concessions to the opposition, but one gets the impression that only one matter raised at the negotiating table is relevant for the opposition — government power," he said.

"Without taking into account any reasonable judicially grounded arguments, the opposition actually insists on dissolving the generally elected parliament and replacing it with a provisional national accord council" for 18 months to two years, drafting a new constitution and holding new parliamentary elections, Nazarov claimed.

The parliament is expected to discuss the necessity of a meeting between Rakhmanov and the leader of the joint opposition Said Abdullo Nuri.

Uzbkistan

Uzbekistan: President Holds Talks With U.S. Delegation

LD0703183296 Tashkent Uzbekistan Television in Uzbek 1530 GMT 7 Mar 96

[FBIS Translated Excerpt] Islam Karimov, president of the Republic of Uzbekistan, today received a U.S. delegation headed by James Collins, the coordinator of U.S. policy in the CIS countries.

Greeting the guests, the head of our country expressed his satisfaction with the development of mutually advantageous cooperation between the United States and Uzbekistan. President Islam Karimov likewise positively appraised the level of permanent consultations between the countries and said that they are important not only for developing bilateral cooperation but also in relations with other countries.

Other questions connected with the prospects for ties between Uzbekistan and the United States were also discussed during the meeting. [passage omitted]

Uzbekistan: Foreign Ministry Summons Russian Envoy Over Press Claims

LD0803161396 Almaty KARAVAN-BLITS in Russian 4 Mar 96 p 4

[FBIS Translated Text] Tashkent — On 24 February Russian Ambassador in Tashkent Filip Sidorskiy was summoned to the Uzbek Ministry of Foreign Affairs. The reason was some correspondence in the Moscow newspaper SEGODNYA.

The newspaper holds that the recent visit of Russian Foreign Minister Yevgeniy Primakov to Uzbekistan ended in failure, and that no serious agreements were signed except a routine protocol on cooperation between the two foreign policy departments. Yevgeniy Primakov was not ready for dialogue with Uzbekistan. Neither Moscow nor Tashkent liked this assessment. The more so, as just beforehand [Uzbek president] Islam Karimov received a large group of Russian journalists, and it seemed that a "Brest peace" [allusion to Brest- Litovsk Soviet-German peace accord of 1918] with the Moscow press, which is sometimes severely critical of the political regime in Uzbekistan, had been concluded. In fact, everybody expected something important from Yevgeniy Primakov's visit. The relationship between Russia and Uzbekistan is not all good at present. For example, Tashkent is on various pretexts stubbornly avoiding signing a package of humanitarian agreements. This concerns the rights of migrants and journalists, and cultural and information exchanges. On the other hand, it is true that there is a chance that the ice will begin to break during the return visit to Moscow of Uzbek Foreign Minister Abdulaziz Komilov, planned for the summer.

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Armenia

Armenia: Papazyan Departs for Strasbourg, To Apply to Council

NC0803095396 Yerevan ARAGIL ELECTRONIC NEWS BULLETIN in English 0840 GMT 7 Mar 96

[FBIS Transcribed Text] YEREVAN ("Azg" daily), 03/07/96 — ROA [Republic of Armenia] Foreign Minister Vahan Papazyan left for Strasbourg on 7 March, to start a political dialogue between the European Council and Armenia.

Mr. Papazyan will present Armenia's application for membership in the Council, and joining to the European Cultural Convention.

According to the press service of ROA Foreign Ministry, Mr. Papazyan will held a speech in the Council of Ministers of the European Council, will discuss possibilities of collaboration between European Council and Armenia. He will meet Secretary General of EC, Secretary of Parliamentary Assembly, Chairman of the European Committee for Human Rights, heads of various department.

Armenia: Russian Envoy's Plans for Shusha, Lachin Reported

NC1103222496 Yerevan Radio Yerevan International Service in Armenian 2000 GMT 9 Mar 96

[FBIS Translated Text] The papers report that Vladimir Kazimirov, the Russian co-chairman of OSCE Minsk Group, has told ARMENPRES that Armenia has reacted negatively to Azerbaijan's proposal to withdraw its [Azerbaijani] forces from Shahumian [Geranboy] in exchange for the return of Azerbaijanis to Shusha.

Kazimirov said that the demilitarization of Shusha is one of the main obstacles to the resolution of the Karabakh conflict, in that Shusha should not be a city inhabited by a single ethnic group. In order to radically change the fate of Shusha, the diplomat said that it should be transformed into a historic-cultural center; it should be turned into a symbol of coexistence between the two nations and their religions.

The Russian diplomat noted that Lachin should be a transportation corridor between Goris and Stepanakert.

The commentator for the Azerbaijani service Radio Liberty noted that the corridor would be controlled by the OSCE multinational peaceforce.

Kazimirov has also not ruled out the return of the civilian population to Lachin in the future once an alternative solution has been found.

Armenia: Yerevan Relies on New Iran-Turkmenistan Railway

LD0703194996 Moscow INTERFAX in English 1717 GMT 7 Mar 96

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] The opening a new railway line between Iran and Turkmenistan can help ease Armenia's plight caused by the transport blockade put up by Azerbaijan, a presidential source told Interfax on Thursday.

"We cannot underestimate our contacts with Iran in the light of newly-emerging geopolitical realities", he said commenting on yesterday's talks between the Armenian president and Iranian Foreign Minister 'Ali Akbar Velayati. He spoke of Levon Ter-Petrosyan's appreciation of the Iranian President's invitation to attend the opening of the Mashad (Iran)- Tashkent (Turkmenistan) railway line on May 13.

Tehran has recently extended a similar invitation to Azeri leader Geydar Aliyev.

The source said Petrosyan was optimistic about the prospects of bilateral relations given rising cooperation with Iran since Armenia gained its independence. IF NOTE: Many say the Iranian-Turkmen railway project will help form a Transasian transport route for shipments from Central Asia to Gulf and Mediterranean sea ports, with delivery times being cut by 25-30 percent.

The source said Armenia saw the project as being probably more vital than the recently-opened bridge across the Araks river.

He said Azerbaijan's blockade of Armenian shipments via the Caspian Sea to Turkmenistan was now in its fifth year. That is why, he said, Yerevan is seeing the new route as a way of widening trade with Turkmenistan, Iran and other regional states.

The source spoke of Yerevan's approval of the Iranian idea for broader economic cooperation in the region, with more countries being involved. He said Tehran was seeing Russia as possible partner given that Moscow and Tehran were sharing common interests as far as the Caspian Sea was concerned.

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Georgia

Georgia: Shevardnadze Hails Azerbaijan President's Visit

LD1103175796 Moscow INTERFAX in English 1644 GMT 11 Mar 96

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] The official visit of Azerbaijani President Geydar Aliyev to Georgia is a landmark for the two countries as well as for the Caucasus as a whole, Georgian President Eduard Shevardnadze said in his interview with the national radio Monday.

Aliyev had visited Georgia last weekend.

"With the signing of a package of documents in Tbilisi, an invaluable step in the development of relations between Georgia and Azerbaijan was made," Shevardnadze said. "Especially close and friendly relations historically connect" the two countries, he said.

Shevardnadze made a special emphasis on the so-called Tbilisi Declaration on Peace, Security and Cooperation in the Caucasus signed during the visit. "We put forward this initiative when the grounds were prepared, when the Caucasus, its states and peoples found themselves in the focus of attention of the whole planet," he said.

The initiative calls for the engagement of the "Caucasian factor" in the establishment of stability in the region, Shevardnadze said. At the same time, he pointed out Russia's leading role in the implementation of this declaration which is open to all states and international institutions. The Georgian leader said "very much will be clarified" during his future visit to Moscow.

IF Note: Shevardnadze will lead an official Georgian delegation to Moscow on March 18, Presidential Press Secretary Vakhtang Abashidze told Interfax. Shevardnadze will meet with his Russian counterpart, Boris Yeltsin, on the next day to discuss a wide range of bilateral issues and the new peace initiative. Well-informed sources said the meeting will also consider Russia's involvement in Georgian-Abkhazian settlement and the possible enlargement of the CIS peacekeepers in the conflict area.

Shevardnadze said he "expects much from the meeting with Armenian President Levon Ter-Petrosyan, already tentatively agreed upon." He said his official visit to Turkey, "where the peace in the Caucasus will be the main issue," had been scheduled for early April.

"When I speak of the strategic interests of many states in the Caucasus, I mean the Eurasian transport corridor which is already taking shape as a feasible project," Shevardnadze said. "An oil pipeline from Azerbaijan's offshore sites on the Caspian Sea will be its vein, followed by a gas pipeline, roads, railways, air traffic, etc.," he said. "The traditional Silk Way will be restored," he said.

Shevardnadze stressed the importance of the future meeting in Mashhad, Iran, where he and other CIS leaders had been invited to attend the opening of a railway connecting Iran and Turkmenistan.

During the Tbilisi visit, Shevardnadze and Aliyev signed a framework treaty on cooperation and mutual relations and the Declaration on Peace, Security and Cooperation in the Caucasus.

This visit created a solid legal basis for mutual relations between the two states, Shevardnadze told a subsequent press conference.

Shevardnadze stressed the importance of the Declaration on Peace, Security and Cooperation in the Caucasus. He was convinced that this document, open to all states including Russia, Turkey, Iran and Armenia, could play an important part in stabilizing the situation in the region.

Aliyev backed Shevardnadze as saying that "today the Caucasus is suffering from conflicts and ethnic strife." In his opinion, the declaration signed will "open a path toward stability in the region."

Speaking in the Georgian parliament, Aliyev said "both Azerbaijan and Georgia are bearing huge losses from the conflicts unleashed." He reiterated his commitment to using "exclusively peaceful means" in the settlement of the conflicts.

Assessing the agreements signed, Aliyev hoped that this cooperation "will bring wealth and prosperity to the peoples of Azerbaijan and Georgia."

The Azerbaijani delegation signed 15 documents during the visit, including a package of agreements on the transit of Caspian oil through Georgia and treaties on encouraging and protecting mutual investments, free trade and sea shipments, cooperation between the two countries' foreign and justice ministries. The two sides also agreed to create a standing intergovernmental commission.

Commenting on these documents, the Georgian and Azerbaijani foreign ministers, Irakli Menagharashvili and Hasan Hasanov, expressed common opinion that the accords were a "landmark" in bilateral relations.

Stressing the importance of the joint oil project, Menagharashvili said "its implementation heavily depends on political stability in the region." The Declaration on Peace, Security and Cooperation in the

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Caucasus is of special importance in this context, he said. "We are not simply proclaiming peace in the Caucasus, but suggest concrete steps for the settlement of conflicts both in Georgia and Azerbaijan," he said.

According to Hasanov, Tbilisi and Baku are "becoming strategic partners, and their cooperation, both political and economic, should keep widening."

IF Note: The length of the western branch of the oil pipeline is 920 kilometers, including 480 kilometers in Azerbaijan and 440 kilometers in Georgia. The pipeline's capacity will stand at 4.7 million tonnes of crude oil a year. The transit tariffs has been set at $0.42 per barrel, from which Azerbaijan will receive $0.26 and Georgia $0.17. The pipeline worth $250 million is to be built within 13 months since the relevant agreement comes into effect.

Assessing the importance of the pipeline agreement, the president of the Azerbaijani International Operating Company (AMOC), Terry Adams, expressed satisfaction over the accomplishment of the preliminary work on the two Caspian pipelines. The other pipeline will go through Russia.

"The availability of two pipelines to export the first oil produced at the Caspian offshore sites will help step up attracting investments in the sites' exploration," Adams said. He also touched on the financing of the western pipeline, saying several options are under consideration. The final decision is to be made within two months, he said.

Georgia: Western Official Inspects Georgian Oil Facilities

LD1103183496 Moscow INTERFAX in English 1711 GMT 11 Mar 96

[FBIS Transcribed Text] BATUMI, March 11 (PIA-INTERFAX) — Terry Adams, president of the Azerbaijani international operating company coordinating the development of Azerbaijan's oil fields, visited the city port of Batumi in the Georgian Republic of Ajaria on Sunday.

Adams inspected the local sea port, oil refinery and oil storage tanks to be used for early oil shipments from Azerbaijan to Europe, an Interfax correspondent reports.

He also met Ajaria Parliament Speaker Aslan Abashidze, with both of them stressing the significance of the project for Georgia. An agreement on pumping early oil via Georgian territory was signed during Azerbaijani President Heydar Aliyev's visit to Tbilisi last week.

"All attention must now be focused on implementing the project," Abashidze said.

Adams also visited another Georgian port, Poti, and the township of Supsa where a large oil terminal is to be built.

Under a decision by the international oil consortium handling the project, an annual 5 million tonnes of early oil is to be pumped via Georgia and Russia to Europe in the next seven years starting from 1996. An agreement on pumping early oil via Russian territory was signed by Russian Prime Minister Viktor Chernomyrdin and Azerbaijani President Heydar Aliyev as they met in Moscow at the end of January.

Georgia: Abkhazia Accuses Georgia of Hampering Settlement

LD1103170196 Moscow INTERFAX in English 1413 GMT 11 Mar 96

[FBIS Transcribed Text] SUKHUMI, March 11 (INTERFAX) - Abkhazia has accused Georgia of hindering efforts to settle their bilateral conflict by political means.

A statement released by the Abkhazian Foreign Ministry today accuses "groups of Georgian saboteurs" of perpetrating acts of terror in Abkhazia to upset peace there and trigger an enlargement to the mandate of peacemakers in the region to include "police functions."

Georgia is being held responsible for the death of four persons, among them a U.N. military officer, as a result of the attacks in Abkhazia over the last few days.

"Scores of Abkhazian civilians, servicemen, and police officers have fallen victim to an estimated 70 acts of sabotage and terror carried out by Georgian bands" in Abkhazia over the last two years, the document says.

Meanwhile, in a statement released by the Georgian Foreign Ministry yesterday, Abkhazia is blamed for the death of the U.N. military monitor.

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Estonia

Estonia: Government Issues Statement on Chechnya Condolences

LD0803174096 Tallinn Estonian Television Network in Russian 1645 GMT 8 Mar 96

[FBIS Translated Text] The Estonian Government has forwarded an announcement that says that the cabinet of ministers condemns terrorism in any form.

The announcement also says that the condolences expressed by members of the Riigikogu yesterday to Chechen leader Dzhokhar Dudayev over the death of his son-in-law, Salman Raduyev, do not reflect the official position of Estonia.

The Estonian government's announcement notes that the condolences to Dudayev were in the form of a letter signed by several representatives of various Riigikogu factions and the Estonian parliament has taken no decisions on the matter through working procedures.

At the same time, Enn Tarto, the head of the Chechen support group in the Riigikogu, said that he did not agree with the accusations of supporting terrorism made by the Russian side in response to the letter to Dudayev signed by 63 deputies of the Riigikogu.

Estonia: Vahi Confers With U.S. Deputy Assistant Secretary of State

LD1103191496 Tallinn Estonian Television Network in Russian 1645 GMT 11 Mar 96

[FBIS Translated Text] Marshall Adair, U.S. deputy assistant secretary of state, who is responsible for relations with the countries of Central and Northern Europe, is visiting Estonia today.

Adair brought a report to Estonia on the situation regarding human rights in Estonia. The report was prepared by the U.S. Department of State and submitted to the U.S. Congress last week. The report regards the situation surrounding human rights in Estonia as positive. It criticizes the occasional violence by the police and the situation in prisons. In addition, Estonia has not precisely defined the status of refugees. The U.S. Department of State regularly draws up similar reports on all countries of the world.

Speaking about NATO's possible expansion, Adair said that NATO is not giving up plans to accept new members.

At a meeting between Adair and Estonian Prime Minister Tiit Vahi, the two discussed, among other things, Estonian-Russian relations and Estonian-Russian border talks. The Estonian representatives noted the identical positions on the border issue of the Republic of Estonia and the United States.

The whole issue is whether to agree on a purely technical border agreement with Russia or to retain in the preamble of the agreement a passage mentioning the 1920 Tartu Peace Treaty, Sven Jurgenson, deputy head of the Estonian Foreign Ministry Political Department, told BNS.

Adair noted that he was made responsible for relations with Central and Northern European states very recently and before visiting Estonia he knew very little about this country. Therefore, one of the aims of his visit is to learn about Estonia.

Estonia: Tallinn Supports Tokyo in Bid for UNSC Membership

WS1203110796 Tallinn ETA in English 1730 GMT 11 Mar 96

["News Release"]

[FBIS Transcribed Text] Tallinn, March 11 — Estonian Foreign Minister Siim Kallas confirmed on Monday [11 March] in Tokyo that Estonia supports plans according to which Japan should be one of the permanent members of the UN Security Council [UNSC].

Kallas announced of Estonian support in the issue to Japanese Foreign Minister Yukihiko Ikeda, Estonian Foreign Ministry spokesman Juri Arusoo told ETA.

Kallas also announced of Estonia's wish to conclude an agreement on avoiding double taxation with Japan and an agreement on culture, education, science and sports.

The FMs discussed bilateral relations between Estonia and Japan and found that the economic relations of the states should be strengthened and enlivened.

Kallas and Ikeda discussed Russia's interior policy developments and stated that both Estonia and Japan consider it necessary to support development of democracy in Russia. FMs stated that both states support stronger independence of CIS member states.

Japanese FM confirmed that he intends to support Estonia also in the future in training of diplomats and expressed willingness to support also the training of doctors.

Kallas gave a review of cooperation of Estonia with the European Union, Nordic and Baltic states. Ikeda informed Kallas of South- East Asian development and Japanese cooperation with the region.

Kallas, on the first day of his visit to Japan on Monday, also visited the Tokyo Stock Exchange, Japanese Bank of Industry and Bank of Japan.

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In Japanese Bank of Industry a memorandum of intentions was signed, according which the bank is ready to support companies that invest in Estonia.

The aim of the visit of Estonian Foreign Minister to Japan is to strengthen political and economic relations between Estonia and Japan.

During his week-long visit Kallas is to meet several high Japanese officials and visit headquarters of several large companies.

Kallas is accompanied at the visit by Foreign Ministry officials Riina Kionka, Alar Streimann and Heikki Vallaste.

Estonia: Foreign Minister Discusses EU, Russia in Tokyo

WS1203123996 Tallinn Ministry of Foreign Affairs Press Release in English 1009 GMT 12 Mar 96

[Statement by Estonian Foreign Minister Siim Kallas at the Foreign Press Center in Tokyo on 12 March]

[FBIS Transcribed Text] Ladies and Gentlemen,

It is a great pleasure to be before you here in Japan, a nation whose hard work, economic success and dedication to new technologies Estonia seeks to emulate. My visit here, as a representative of a prospective Associate EU country and on the heels of the Asia-Europe Meeting, is further evidence that European and Asian countries can benefit from trade and investment between these two growing regions. The clash of these two economic zones, as doom-sayers predicted, is not inevitable. On the contrary, our future co-operation is [sentence as received].

Before I speak about Estonia's economic restructuring and its future ties with Japan, I would like to focus briefly on Estonia's history. Estonia has always been a part of Europe referred to as 'the West'. Our past has been influenced by Danish and Swedish rule, in addition to the German presence spanning the hundreds of years after the crusades. They brought to Estonia the ideas of the Reformation, literacy and the rule of law. Even after falling under Tsarist administrative control, Estonia remained an autonomous region with local decision-making powers.

While our geographical location has proved to be a security burden, geography has worked to our advantage in trade. Located on the shores of the Baltic Sea, Estonia is a country at the cross-roads of Europe and a traditional trading partner. This dates back to the Hanseatic League of the middle ages, a grouping of European trading cities unrivalled in their influence until the rise of the European Union. Before World War II, independent Estonia's trade with other parts of Europe also flourished and led to great prosperity.

Unfortunately, after the Soviet occupation of Estonia in 1940, both our ties to the West and our free-market traditions were severed. Through peaceful yet determined efforts, Estonia restored its independence in 1991 as the continuation of the pre-war republic.

Japan, after one of the most destructive conflicts the world has witnessed, rebuilt its economy and became an Asian economic tiger. For Estonia, World War Two ended on August 31, 1994, when the last Russian soldier left Estonia. Like Japan, Estonia is now rebuilding its economy with the diligence and hard work of its people. Like Japan, Estonia is achieving rapid and renowned economic success.

Estonia comes to Japan as a small country with great opportunities to offer. Investors are often put off by our small size when viewed alongside our larger Russian neighbour. But I find that our size works to our advantage. Estonia may be compared to Sumo's grand champion, Yokozuna Chiyonofuji [spelling of name as received], when it comes to economic competition — we are both small yet strong; instead of brute force or size, we use intelligence, leverage and speed to defeat our opponent. With diligence and discipline, we hope to soon join the ranks of Europe's economic Ozekis.

In the European economic ring, Estonia is slowly yet steadily earning the respect of our rivals. Estonia's economy and currency remain strong due to our financial discipline. Our national currency, the kroon, continues to be pegged to the Deutschmark and is strictly covered - - one-hundred percent — by our foreign exchange reserves. Monetary policy is mapped by the Bank of Estonia, a body independent of the Government. Our state budget is required, by law, to be balanced.

Estonia's smart, free-market policies have raised our competitiveness in the global market and increased foreign investment. Our liberal policies include the elimination of all export and import tariffs; the elimination of state subsidies, including to the agricultural sector; and the ability of foreigners to buy land. Estonia has leveraged these policies and thus increased our foreign direct investment to 500 million dollars during the period stretching from 1991 to 1995.

The speed of our reform has also worked to our advantage. In 1991, most of our trade and economy was oriented to the former Soviet Union. Presently, two-thirds of Estonia's imports and over one-half of Estonia's exports are with European Union members.

Some people in Japan may view Europe's economies as old and established. This is far from the new reality.

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Central European economies are dynamic and growing. Estonia, whose free-market economy is only five years old, continues to post a steady annual GDP growth of 4 percent. Estonia ranks third among Central and East European Countries in foreign direct investment per capita. Compared to the Asian economic tigers, Estonia has room for improvement, but our youth enables us to learn from the experience of established states like Japan.

One of our main foreign and domestic policy goals is to join the European Union. Although the EU is a continent away and a world apart from Japan, the recent summit between European and Asian countries signals a growing interest in trade and investment between the two regions. From the Japanese perspective, Estonia may serve as a gateway to the European Union. Our access to Europe's common market of 370 million and our cheap yet highly skilled work force are characteristics that should spark the interest of Japanese investors who have, to date, only invested a half million dollars in Estonia.

The world stops for no one. In order to stay in place, you must run. To get ahead, you must run faster. Japan, more than anyone, knows that the future is in technology and its products. Estonia shares this view and has announced the intention of computerising Estonia's school system, thus providing our youngest generation with a springboard into the 21st century. We hope that our strengthened ties with Japan will assist Estonia in a revolution it is a willing participant in — the high-tech revolution. Our meeting with Nippon Electric Corporation executives is our first step in seeking Japanese co-operation in technological investment and development.

Estonia seeks to learn from Japan's post-war economic success. I have said this not only to policymakers here in Japan, but also to my parliament just recently. A keen eye and a guiding hand in targeting markets, reinvesting profits and developing long-term strategies are what Japan, as Sensei, could teach Estonia.

Estonia and Japan, though a continent apart, have a common neighbour in the Russian Federation. Our relations with Russia are central to Estonian foreign policy. It is a policy that seeks to be based on positive engagement, good-neighbourly relations, a respect for sovereignty and a clearly articulated and publicly recognised acceptance of Estonia's continuing independence. However, taking into account statements of the Russian government and the potential of a communist resurgence, Russia remains a possible source of instability for Estonia and other bordering states. We remain hopeful that democracy will eventually prevail. We are therefore sensitive to policies and actions that will either help or hinder Russia's democratic development.

Estonia, like Japan, also has unresolved border issues with Russia. Negotiations continue over the exact placement of both the land and sea border with Russia. Progress on technical matters has occurred, but the main obstacle remains a political one — Russia's unwillingness to acknowledge what the vast majority of Western states have, which is the legal continuity of Estonian statehood as embodied by the Tartu Peace Treaty of 1920.

The upcoming Russian Presidential election offers us an opportunity to see whether the Russian people choose to be governed by the past or by the future. While we hope that the most democratic candidate will win, the challenges Estonia faces in relations with Russia will most likely remain. Both President Yeltsin and his communist opponent, Gennady Zyuganov, oppose enlargement of NATO and support a revision on the number of troops that may be stationed in Russia's northern military zone. In trade relations, a communist victory would surely be followed by protectionist policies. However, Russia under Boris Yeltsin has already placed discriminatory, double tariffs on goods exported from Estonia to Russia.

How then should the leading Western democracies, Japan included, support Russia during its time of transition? First, we should continue to keep Russia engaged. An isolated Russia may become dangerous and unpredictable. Second, the West should set the rules of the post cold war game and stick to them. Double standards in what is acceptable in foreign policy behaviour, human rights and trade relations only encourage abuse and lead to confrontation. Appeasement does not have to be a major policy proved wrong for a second time in modern history.

As the days pass, Estonia's security, prosperity and position in Europe continue to grow. We invite Japan to be a part of the economic growth that historically began with our membership to the Hanseatic League and which will culminate in our membership to the European Union. It is a growth that has already paid dividends to our people, our foreign investors, and our region.

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